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DEPARTMENT OF THE ARMY  
**FY2005 Budget Estimates**

*Submitted to Congress, February 2004*



**Military Personnel, Army**  
**Volume I, Active Forces**

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DEPARTMENT OF THE ARMY  
JUSTIFICATION OF ESTIMATES FOR FY 2005

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SECTION 1  
SUMMARY OF REQUIREMENTS BY BUDGET PROGRAM  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 2003	ESTIMATE FY 2004	ESTIMATE FY 2005
DIRECT BASELINE PROGRAM			
PAY AND ALLOWANCES FOR OFFICERS.....	\$ 9,238,359	\$ 7,537,389	\$ 8,100,844
PAY AND ALLOWANCES FOR ENLISTED.....	22,409,050	18,163,830	19,093,835
PAY AND ALLOWANCES FOR CADETS.....	47,352	49,760	50,969
SUBSISTENCE OF ENLISTED PERSONNEL.....	2,417,789	1,357,734	1,303,194
PERMANENT CHANGE OF STATION TRAVEL.....	1,345,922	1,037,505	1,073,104
OTHER MILITARY PERSONNEL COSTS.....	220,100	110,749	101,526
TOTAL DIRECT BASELINE PROGRAM.....	\$ 35,678,572	\$ 28,256,967	\$ 29,723,472
REIMBURSABLE BASELINE PROGRAM			
PAY AND ALLOWANCES FOR OFFICERS.....	\$ 173,125	\$ 163,981	\$ 175,466
PAY AND ALLOWANCES FOR ENLISTED.....	393,978	87,035	85,292
PAY AND ALLOWANCES FOR CADETS.....	0	0	0
SUBSISTENCE OF ENLISTED PERSONNEL.....	29,305	31,925	24,440
PERMANENT CHANGE OF STATION.....	3,464	2,085	2,129
OTHER MILITARY PERSONNEL COSTS.....	128	130	133
TOTAL REIMBURSABLE BASELINE PROGRAM.....	\$ 600,000	2/\$ 285,156	\$ 287,460
TOTAL BASELINE PROGRAM			
PAY AND ALLOWANCES FOR OFFICERS.....	\$ 9,411,484	\$ 7,701,370	\$ 8,276,310
PAY AND ALLOWANCES FOR ENLISTED.....	22,803,028	18,250,865	19,179,127
PAY AND ALLOWANCES FOR CADETS.....	47,352	49,760	50,969
SUBSISTENCE OF ENLISTED PERSONNEL.....	2,447,094	1,389,659	1,327,634
PERMANENT CHANGE OF STATION TRAVEL.....	1,349,386	1,039,590	1,075,233
OTHER MILITARY PERSONNEL COSTS.....	220,228	110,879	101,659
TOTAL BASELINE PROGRAM.....	1/\$ 36,278,572	\$ 28,542,123	\$ 30,010,932
GWOT PROGRAM			
PAY AND ALLOWANCES FOR OFFICERS.....		\$ 1,504,514	
PAY AND ALLOWANCES FOR ENLISTED.....		9,161,787	
PAY AND ALLOWANCES FOR CADETS.....		0	
SUBSISTENCE OF ENLISTED PERSONNEL.....		1,559,600	
PERMANENT CHANGE OF STATION TRAVEL.....		476,250	
OTHER MILITARY PERSONNEL COSTS.....		156,719	
TOTAL GWOT PROGRAM.....		12,858,870	
TOTAL PROGRAM			
PAY AND ALLOWANCES FOR OFFICERS.....	\$ 9,411,484	\$ 9,205,884	\$ 8,276,310
PAY AND ALLOWANCES FOR ENLISTED.....	22,803,028	27,412,652	19,179,127
PAY AND ALLOWANCES FOR CADETS.....	47,352	49,760	50,969
SUBSISTENCE OF ENLISTED PERSONNEL.....	2,447,094	2,949,259	1,327,634
PERMANENT CHANGE OF STATION TRAVEL.....	1,349,386	1,515,840	1,075,233
OTHER MILITARY PERSONNEL COSTS.....	220,228	267,598	101,659
TOTAL PROGRAM.....	\$ 36,278,572	\$ 41,400,993	\$ 30,010,932

1/Includes FY 2003 Supplemental of \$8,729,410.

2/Reimbursables FY 2004 does not include \$268M (\$30M Officer, \$238M Enlisted) to support Air Force Security.

## **Section 2**

### **Introduction**

The Military Personnel, Army appropriation provides resources to compensate active military personnel required to man the approved force structure. In addition to personnel in the force structure, the appropriation also provides compensation for personnel in the individual accounts: students, trainees, transients, cadets, and holdees (holdees include patients and others). The manning goal is to provide, in a timely manner, the right number of high quality people in the appropriate grades and skills to satisfy force structure authorizations. Accomplishment of this goal will ensure a high degree of personnel readiness and combat readiness in units.

### **Management Characteristics of MPA**

MPA is a centrally managed, single-year, open allotment appropriation. Entitlements are set by statute with the biggest cost driver being the average number of personnel on active duty. There are other factors, such as overseas strength, marital content, and personnel policy, which also impact heavily on requirements in this appropriation.

Most of the factors that dictate costs cannot be changed quickly. For example, the savings accrued from a decision to reduce strength may not be fully realized for several years. There are a number of reasons for this. On the dollar side, one-time costs for severance pay, separation pay, and lump-sum-terminal-leave pay that offsets pay and allowances savings during the implementation year. In terms of manpower (i.e., manyears, grade structure, time-in-service), costs will vary greatly depending on when personnel are separated during the year, how they are separated, and the size of the population separated. Of course the inverse is also true: the full impact of an increase in strength will not be felt for several years as well.

The Army has very little near term control over the rates of pay soldiers receive. The predominance of pay rates are fixed by Congress. Other factors, such as inflation and foreign currency exchange rates, also impact some rates and are outside the Army's control.

### **Active Army Program Execution (FY 2003/2004):**

The end strength for FY 2003 was 499,301 excluding contingency operations. The FY 2004 MPA Program is currently funded for an end strength of 482,400, but we expect Global War on Terrorism (GWOT) requirements to bring us to an end strength of 488,978 with a manyear average of 631,715 which is being funded through the FY 2004 Emergency Supplemental Appropriation Act.

### **Active Army Program Estimates (FY 2005):**

The FY 2005 estimate is based on a 483,151 manyear program (excluding contingency operations). The total authorized non-GWOT end strength remains at a steady state level of 482,400.

### **Key Budget Assumptions Used to Develop These Estimates Include:**

- The FY 2005 DOD military pay raise of 3.5% is budgeted with a 1 January 2005 effective date.
- The normal cost percentage used to calculate payments to the military retired pay trust fund are 27.5% in FY 2005.
- Estimates for BAH assume the soldier's absorption cost for housing will be reduced from 3.5% in FY 2004 to 0% by the end of FY 2005. BAH housing growth is an overall 3.0%, effective 1 January 2003.
- BAH - Residential Communities Initiative (RCI). The RCI program is a major initiative within the Army to alleviate housing shortages, rapidly improve the condition of existing housing and eliminate inadequate family housing by FY 2007. It is fully funded in FY 2005. This program focuses on developing and managing communities and embraces comprehensive planning and execution, as opposed to piecemeal projects. The following Forts are funded through FY 2004: Hood, Lewis, Meade, Hamilton, Bragg, Campbell, Irwin, Stewart, Polk, Eustis, Detrick, Shafter. Also funded are Walter Reed Medical Center, Picatinney Arsenal, Schofield Barracks, Hunter Army Airfield, Moffet Field, and the Presidio of Monterey.
- The rates for subsistence are indexed to changes in the US Department of Agriculture food plan.
- The estimates for overseas station allowances are based on rates of exchange of 1.0314 Euro/\$1 U.S.
- Budget requests for FY 2005 do not include Global War on Terrorism (GWOT) estimates.

#### **Global War On Terrorism (GWOT):**

Funds appropriated in P.L. 108-11 were received from the FY 2003 Emergency Supplemental to support GWOT. Per P.L. 108-11 \$8,729M were received from the Emergency Supplemental to fund GWOT expenses for mobilized reserve component payroll, subsistence, travel and other military cost for Operation Iraqi Freedom (OIF), Operation Noble Eagle (ONE), and Operation Enduring Freedom (OEF).

During FY 2003 13,287 Officer and 84,560 Enlisted man years were funded for mobilized reserve component and active component overstrength personnel in support of Operation Noble Eagle/Operation Enduring Freedom, and Operation Iraqi Freedom.

Funds appropriated in P.L. 108-106 were received from the FY 2004 Emergency Supplemental to support GWOT. Per P.L. 108-106 \$12,878M were received from the Emergency Supplemental to fund GWOT expenses for mobilized reserve component payroll, subsistence, travel and other military cost for Operation Iraqi Freedom (OIF), Operation Noble Eagle (ONE), and Operation Enduring Freedom (OEF).

During FY 2004 we anticipate 148,441 man years will be funded for mobilized reserve component and active component overstrength personnel in support of Operation Noble Eagle/Operation Enduring Freedom, and Operation Iraqi Freedom.

**President's Management Agenda (PMA) - Budget Performance Metrics:**

The Department of Defense is adopting a DOD-wide approach to establishing performance outputs and tracking performance results, based on the President's Management Agenda. The principal goal to which MPA is aligning their metrics is the Budget and Performance Integration (BPI) goal. The MPA appropriation has associated performance metrics with resources beginning in FY04 and will continue reporting on metrics for the selected programs in future budgets. A performance measurement and evaluation summary can be found in Section 5 - Special Analysis.

**MILITARY PERSONNEL, ARMY**  
**Fiscal Year (FY) 2005 President's Budget**  
**Performance Measures and Evaluation Summary**

Activity: Active Military Personnel

Activity Goal: Maintain the correct Active Military Personnel to execute National Strategy.

Description of Activity: The Active Military Personnel appropriation provides resources necessary to compensate military personnel required to man approved force structure and support infrastructure, which includes pay, allowances, individual clothing, subsistence, and permanent changes of station.

**PERFORMANCE MEASURES:**

	<u>FY 2003 Actual</u>	<u>FY 2004 Planned</u>	<u>FY 2005 Planned</u>
<b>Average Strength</b>	<b>590,060</b>	<b>631,714</b>	<b>485,315</b>
<b>End Strength</b>	<b>499,301</b>	<b>488,978</b>	<b>482,400</b>
<b>Authorized End Strength</b>	<b>480,000</b>		

FY 2003 end strength includes active Army overstrength, and stoploss personnel in support of the Global War on Terrorism. These additional 19,301 end strength were not originally budgeted , but were funded with supplemental funding. FY 2004 NDAA authorized an increase to end strength of 2.4K. This brings the Army's end strength to 482K beginning FY 2004. This metric measures the variance in planned versus actual manyears.

**Recruiting**

1. Numeric goals	73,800	72,500	74,000
Actual	74,132		

- Total Recruiting mission is compared to actual accessions for the fiscal year. The percent goal accomplished is the measurement.

Recruiting goals were met for FY 2003 due to the Army's recruiters and sustained investments in recruiting resources including personnel, incentives, operations, advertising, and quality of life/well-being initiatives. The FY 2004 and FY 2005 recruiting environments expect to be a challenge due to increased alternatives for youth, the historically low propensity to enlist, and the increased operating tempo. In addition, the goals for FY 2004 and FY 2005 may change due to the temporary 30,000 end strength increase.

2. Quality goals	
a. Tier 1	94%
b. Cat I-IIIA	71%

a. The percent Tier 1 High School Degree Graduate (HSDG) is the measure, which is a measure of educational achievement - Total number of Tier 1 (HSDG) non-prior service accessions + Delayed Entry Program (DEP) is compared to total number of non-prior service accessions + DEP for the fiscal year. (DOD target is 90%)

Quality goals serve as a screening mechanism; the Army does not directly resource to quality levels. Recruiting efforts focus on high school degree graduates and graduating seniors who are Cat I-IIIA. Currently, incentives are only available to Cat I-IIIA.

b. The percent of Cat I-IIIA is the measure - Total number of non-prior service accessions + DEP who scored at or above 50<sup>th</sup> percentile (Cat I-IIIA) is compared to total number of non-prior service accessions + DEP for the fiscal year. (DOD target is 60%. Cat I-IIIA - scores at or above 50 on the Armed Forces Qualification Test (measure of aptitude). Cat IV - percentages are not shown as the Services historically have no difficulty meeting the 4% limitation.)

Quality goals serve as a screening mechanism; the Army does not directly resource to quality levels. Recruiting efforts focus on high school degree graduates and graduating seniors who are Cat I-IIIA. Currently, incentives are only available to Cat I-IIIA. The implementation of upgraded Armed Services Vocational Aptitude Battery norms may impact quality achievement in the future as enlistment standards will increase.

SECTION 3  
SUMMARY OF MILITARY PERSONNEL STRENGTH

	FY 2003 ACTUAL		FY 2004 ESTIMATE		FY 2005 ESTIMATE	
	AVERAGE STRENGTH	END STRENGTH 30 SEP 2003	AVERAGE STRENGTH	END STRENGTH 30 SEP 2004	AVERAGE STRENGTH	END STRENGTH 30 SEP 2005
DIRECT PROGRAM						
OFFICERS.....	91,630	79,696	78,397	77,717	79,035	77,867
ENLISTED.....	486,224	413,870	399,351	399,059	400,756	398,809
ACADEMY CADETS.....	4,000	4,207	4,000	4,100	4,000	4,200
TOTAL DIRECT PROGRAM.....	581,854	497,773	481,748	480,876	483,791	480,876
REIMBURSABLE PROGRAM						
OFFICERS.....	1,832	629	633	633	633	633
ENLISTED.....	6,375	899	891	891	891	891
TOTAL REIMBURSABLE PROGRAM.....	8,207	1,528	1,524	1,524	1,524	1,524
TOTAL PROGRAM						
OFFICERS.....	93,462	80,325	79,030	78,350	79,668	78,500
ENLISTED.....	492,599	414,769	400,242	399,950	401,647	399,700
ACADEMY CADETS.....	4,000	4,207	4,000	4,100	4,000	4,200
TOTAL.....	590,061	499,301	483,272	482,400	485,315	482,400
FY 2004 EMERGENCY SUPPLEMENTAL						
OFFICERS			20,821	1,627		
ENLISTED			127,621	4,951		
TOTAL FY 2004 EMERGENCY SUPPLEMENTAL			148,442	6,578		
REVISED TOTAL PROGRAM						
OFFICERS	93,462	80,325	99,851	79,977	79,668	78,500
ENLISTED	492,599	414,769	527,863	404,901	401,647	399,700
ACADEMY CADETS	4,000	4,207	4,000	4,100	4,000	4,200
REVISED TOTAL DIRECT PROGRAM	/1 590,061	499,301	/2 631,714	488,978	485,315	482,400

/1 FY 2003 average strength includes 12,023 Officers and 74,058 Enlisted mobilized reserve component personnel in support of ONE/OEF/OIF.  
/2 FY 2004 average strength includes 19,612 Officers and 120,034 Enlisted mobilized reserve component personnel in support of ONE/OEF/OIF.



SECTION 3  
END STRENGTHS BY GRADE (TOTAL PROGRAM)

	ACTUAL FY 2003		ESTIMATE FY 2004		ESTIMATE FY 2005	
	30 SEPT	REIMB INCLUDED	30 SEPT	REIMB INCLUDED	30 SEPT	REIMB INCLUDED
COMMISSIONED OFFICERS						
GEN.....	9	0	10	0	10	0
LTG.....	41	0	43	0	43	0
MG.....	99	2	103	2	103	2
BG.....	146	4	157	4	157	4
COL.....	3,629	26	3,708	26	3,708	29
LTC.....	8,923	69	9,329	69	9,329	78
MAJ.....	14,129	138	15,924	138	14,297	155
CPT.....	23,210	268	24,383	272	24,383	228
1LT.....	9,109	104	8,477	104	8,477	117
2LT.....	8,903	2	5,833	2	5,833	2
TOTAL COMMISSIONED OFFICERS.....	68,198	613	67,967	617	66,340	615
WARRANT OFFICERS						
CW5.....	410	1	407	1	411	1
CW4.....	1,563	4	1,609	4	1,629	4
CW3.....	3,529	5	2,970	5	3,009	6
CW2.....	4,479	5	4,851	5	4,911	6
WO1.....	2,146	1	2,173	1	2,200	1
TOTAL WARRANT OFFICERS.....	12,127	16	12,010	16	12,160	18
TOTAL OFFICER PERSONNEL.....	80,325	629	79,977	633	78,500	633
ENLISTED PERSONNEL						
SGM.....	3,317	23	19,997	23	19,985	23
1SG/MSG.....	11,347	45	31,996	45	31,976	45
PSG/SFC.....	37,559	158	59,992	158	59,955	158
SSG.....	57,532	194	111,986	190	111,916	197
SGT.....	74,477	195	71,991	191	71,946	184
CPL/SPC.....	119,472	158	60,944	158	55,958	158
PFC.....	62,118	110	35,995	110	35,973	110
PV2.....	30,245	13	7,999	13	7,994	13
PV1.....	18,702	3	4,001	3	3,997	3
TOTAL ENLISTED PERSONNEL.....	414,769	899	404,901	891	399,700	891
TOTAL OFF & ENL PERSONNEL.....	495,094	1,528	484,878	1,524	478,200	1,524
CADETS.....	4,207	0	4,100	0	4,200	0
TOTAL END STRENGTH.....	499,301	1,528	488,978	1,524	482,400	1,524

SECTION 3  
AVERAGE STRENGTHS BY GRADE (TOTAL PROGRAM)

	ACTUAL FY 2003		ESTIMATE FY 2004		ESTIMATE FY 2005	
	30 SEPT	REIMB INCLUDED	30 SEPT	REIMB INCLUDED	30 SEPT	REIMB INCLUDED
COMMISSIONED OFFICERS						
GEN.....	9	0	10	0	10	0
LTG.....	40	0	43	0	43	0
MG.....	103	2	103	2	103	2
BG.....	150	4	157	4	157	4
COL.....	4,180	26	4,612	26	3,703	29
LTC.....	10,169	69	11,581	69	9,317	78
MAJ.....	17,550	138	18,346	138	14,643	155
CPT.....	28,438	1,471	31,812	272	25,360	228
1LT.....	10,501	104	9,670	104	8,289	117
2LT.....	8,525	2	8,877	2	6,329	2
TOTAL COMMISSIONED OFFICERS.....	79,665	1,816	85,211	617	67,954	615
WARRANT OFFICERS						
CW5.....	477	1	497	1	398	1
CW4.....	1,730	4	1,958	4	1,570	4
CW3.....	3,989	5	3,642	5	2,893	6
CW2.....	5,136	5	5,890	5	4,733	6
WO1.....	2,465	1	2,653	1	2,120	1
TOTAL WARRANT OFFICERS.....	13,797	16	14,640	16	11,714	18
TOTAL OFFICER PERSONNEL.....	93,462	1,832	99,851	633	79,668	633
ENLISTED PERSONNEL						
SGM.....	3,779	23	4,353	23	3,253	23
1SG/MSG.....	12,906	45	14,205	45	10,506	45
PSG/SFC.....	44,022	158	48,465	158	36,833	158
SSG.....	77,232	5,678	73,514	190	56,132	197
SGT.....	87,098	187	94,363	191	72,669	184
CPL/SPC.....	133,785	158	151,949	158	111,901	158
PFC.....	72,597	110	69,263	110	52,940	110
PV2.....	38,142	13	44,241	13	35,576	13
PV1.....	23,038	3	27,511	3	21,837	3
TOTAL ENLISTED PERSONNEL.....	492,599	6,375	527,864	891	401,647	891
TOTAL OFF & ENL PERSONNEL.....	586,061	8,207	627,715	1,524	481,315	1,524
CADETS.....	4,000	0	4,000	0	4,000	0
TOTAL AVERAGE STRENGTH.....	590,061	8,207	631,715	1,524	485,315	1,524

SECTION 3  
ACTIVE DUTY STRENGTHS BY MONTH  
(IN THOUSANDS)

	OFF	ACTUAL FY 2003 ENL	CAD	TOTAL	OFF	ESTIMATE FY 2004 ENL	CAD	TOTAL	OFF	ESTIMATE FY 2005 ENL	CAD	TOTAL
SEPTEMBER.....	78.158	404.304	4.080	486.542	80.325	414.769	4.207	499.301	78.350	399.940	4.100	482.390
OCTOBER.....	78.095	407.193	4.070	489.358	79.262	408.457	4.082	491.801	78.937	403.801	4.082	486.820
NOVEMBER.....	78.102	407.737	4.061	489.900	79.019	408.066	4.072	491.157	78.703	403.178	4.072	485.953
DECEMBER.....	78.072	403.156	4.016	485.244	78.855	403.216	4.070	486.141	78.547	398.153	4.070	480.770
JANUARY.....	78.755	406.894	4.007	489.656	79.083	404.511	4.062	487.656	78.787	399.567	4.062	482.416
FEBRUARY.....	78.696	407.072	3.992	489.760	78.715	405.442	4.041	488.198	78.438	398.919	4.041	481.398
MARCH.....	78.650	406.929	3.991	489.570	78.519	404.050	4.028	486.597	78.263	398.207	4.028	480.498
APRIL.....	78.655	408.676	3.978	491.309	78.313	406.998	4.024	489.335	78.074	399.653	4.024	481.751
MAY.....	79.831	409.394	3.027	492.252	79.915	406.950	3.044	489.909	79.693	400.445	3.044	483.182
JUNE.....	80.754	410.946	4.300	496.000	80.100	405.207	4.220	489.527	79.888	399.472	4.206	483.566
JULY.....	80.595	412.337	4.214	497.146	79.796	405.391	4.100	489.287	79.596	400.430	4.148	484.174
AUGUST.....	80.451	418.549	4.200	503.200	79.505	403.424	4.100	487.029	79.319	399.309	4.128	482.756
SEPTEMBER.....	80.325	414.769	4.207	499.301	78.350	399.940	4.100	482.390	78.500	399.700	4.200	482.400
AVERAGE STRENGTH...	79.126	408.641	4.000	491.767	81.072	405.426	4.000	490.498	78.949	400.202	4.000	483.151
(TTAD MANYRS INCL)	1.356	5.555		6.911	0.200	0.154		0.354	0.177	0.136		0.313
TTAD \$M.....	13.800	5.974		19.774	20.703	7.770		28.473	18.872	7.120		25.992
(CONTINGENCY MANYRS												
INCLUDED).....	0.957	4.345		5.302	0.832	2.087		2.919	0.542	1.309		1.851
CONTINGENCY \$M.....	105.236	362.672		467.908	85.119	190.824		275.943	91.639	202.900		294.539
MOBILIZED												
MANYRS.....	0.000	0.000		0.000	0.000	0.000		0.000	0.000	0.000		0.000

SECTION 3  
GAINS AND LOSSES BY SOURCE AND TYPE

	ACTUAL FY 2003	ESTIMATE FY 2004	ESTIMATE FY 2005
OFFICERS			
BEGINNING STRENGTH.....	78,158	80,325	79,977
GAINS (BY SOURCE)			
SERVICE ACADEMIES.....	933	933	933
ROTC.....	2,908	2,708	2,733
OFFICER CANDIDATE SCHOOL.....	1,000	1,000	1,000
VOLUNTARY ACTIVE DUTY.....	368	267	267
DIRECT APPOINTMENTS.....	1,265	1,255	1,254
WARRANT OFFICER PROGRAMS.....	1,150	1,150	1,150
OTHER.....	97	0	0
TOTAL GAINS.....	7,721	7,313	7,337
LOSSES (BY TYPE)			
EXPIRATION OF CONTRACT.....	158	1,115	2,297
RETIREMENT	2,545	3,049	3,036
DISABILITY.....	(112)	(141)	(140)
NON-DISABILITY.....	(2,433)	(2,908)	(2,896)
15 YEAR RETIREMENT.....	0	0	0
VOLUNTARY SEPARATION - VSI.....	0	0	0
VOLUNTARY SEPARATION - SSB.....	0	0	0
INVOLUNTARY SEP OF RESERVE.....	120	120	120
INVOLUNTARY SEP OF REGULAR.....	55	55	55
REDUCTION-IN-FORCE.....	0	0	0
ATTRITION.....	0	0	0
OTHER.....	2,676	3,322	3,306
TOTAL LOSSES.....	5,554	7,661	8,814
END STRENGTH.....	80,325	79,977	78,500

SECTION 3  
GAINS AND LOSSES BY SOURCE AND TYPE

	ACTUAL FY 2003	ESTIMATE FY 2004	ESTIMATE FY 2005
ENLISTED			
BEGINNING STRENGTH.....	404,305	414,769	399,950
GAINS (BY SOURCE)			
NON-PRIOR SERVICE ENLISTMENTS.....	70,034	67,900	69,000
MALES.....	(56,725)	(52,962)	(53,820)
FEMALES.....	(13,309)	(14,938)	(15,180)
PRIOR SERVICE ENLISTMENTS.....	4,009	5,200	5,000
REENLISTMENT (IMM).....	47,160	56,485	54,733
RESERVE COMPONENTS.....	0	0	0
RETURNED TO MILITARY CONTROL.....	3,427	3,449	3,196
OTHER.....	0	0	0
GAIN ADJUSTMENT.....	0	0	0
TOTAL GAINS.....	124,630	133,034	131,929
LOSSES (BY TYPE)			
DRAFTEE AND REGULAR ARMY			
ESTIMATED TERMINATION OF SERVICE...	19,359	41,407	28,794
NORMAL EARLY RELEASE.....	0	0	0
PROGRAMMED EARLY RELEASE.....	0	0	0
SEPARATIONS -VSI.....	0	0	0
SEPARATION - SSB.....	0	0	0
TO COMMISSIONED OFFICER			
AND WARRANT OFFICER.....	0	0	0
REENLISTMENT.....	47,160	56,485	54,733
RETIREMENT.....	6,598	8,340	8,257
15 YEAR RETIREMENT.....	0	0	0
DROPPED FROM ROLLS.....	3,343	4,523	4,217
ATTRITION ADVERSE CAUSES.....	17,293	16,875	16,093
OTHER ATTRITION.....	20,413	20,223	20,085
RESERVE COMPONENTS.....	0	0	0
TOTAL LOSSES.....	114,166	147,853	132,179
END STRENGTH.....	414,769	399,950	399,700
CADETS			
GAINS			
ENTERING CADETS.....	1,311	1,336	1,162
LOSSES			
ATTRITION.....	1,291	1,443	1,162
GRADUATES.....	0	0	0

SECTION 3  
SUMMARY OF ENTITLEMENTS BY SUBACTIVITY  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 2003			ESTIMATE FY 2004			ESTIMATE FY 2005		
	OFFICER	ENLISTED	TOTAL	OFFICER	ENLISTED	TOTAL	OFFICER	ENLISTED	TOTAL
1. BASIC PAY.....	4945870	11727978	16673848	5458240	14447215	19905455	4587538	9914330	14501868
2A. RETIRED PAY ACCRUAL.....	1355168	3213466	4568634	1479183	3915195	5394378	1261573	2726441	3988014
2B. HEALTH CARE ACCRUAL.....	339232	1766353	2105585	365938	1881268	2247206	426390	2175161	2601551
3. BASIC ALLOWANCE FOR HOUSING.....	1442076	2518468	3960544	830595	2677162	3507757	1019189	2322693	3341882
A. DOMESTIC.....	1307122	2334640	3641762	725079	2489731	3214810	934708	2222474	3157182
1. WITH DEPENDENTS.....	940102	1792350	2732452	500928	2101457	2602385	728138	1912061	2640199
2. WITHOUT DEPENDENTS.....	366477	526587	893064	223603	369655	593258	206151	298022	504173
3. SUBSTANDARD HOUSING.....	0	261	261	0	299	299	0	242	242
4. PARTIAL.....	543	15442	15985	548	18320	18868	419	12149	12568
B. OVERSEAS.....	134954	183828	318782	105516	187431	292947	84481	100219	184700
1. WITH DEPENDENTS.....	66239	90129	156368	51886	109589	161475	41560	52387	93947
2. WITHOUT DEPENDENTS.....	68715	93699	162414	53630	77842	131472	42921	47832	90753
4. SUBSISTENCE.....	173185	2447094	2620279	209388	2949259	3158647	173278	1327634	1500912
A. BASIC ALLOWANCE FOR SUBSISTENCE.....	173185	954204	1127389	209388	982027	1191415	173278	805410	978688
1. AUTHORIZED TO MESS SEPARATELY.....	173185	1064403	1237588	209388	1080128	1289516	173278	983340	1156618
2. LEAVE RATIONS.....		0	0		0	0		0	0
3. RATIONS-IN-KIND NOT AVAILABLE.....		84316	84316		84519	84519		68504	68504
4. AUGMENTATION FOR SEPARATE MEALS.....		0	0		0	0		0	0
5. PARTIAL BAS.....		0	0		0	0		0	0
6. LESS COLLECTIONS.....		194515	194515		182620	182620		246434	246434
B. SUBSISTENCE IN KIND.....		1491578	1491578		1965652	1965652		520687	520687
1. SUBSISTENCE IN MESSES.....		1456384	1456384		1727378	1727378		300415	300415
2. OPERATIONAL RATIONS.....		28078	28078		197906	197906		183819	183819
3. AUGMENTATION RATIONS/OTHER.....		7116	7116		40368	40368		36453	36453
C. FAMILY SUBSISTENCE SUPPLE ALLOW ( FSSA).....		1312	1312		1580	1580		1537	1537

SECTION 3  
SUMMARY OF ENTITLEMENTS BY SUBACTIVITY  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 2003			ESTIMATE FY 2004			ESTIMATE FY 2005		
	OFFICER	ENLISTED	TOTAL	OFFICER	ENLISTED	TOTAL	OFFICER	ENLISTED	TOTAL
5. INCENTIVE PAY, HAZARDOUS DUTY, AND AVIATION CAREER.....	97698	77529	175227	84871	99981	184852	99608	72293	171901
A. FLYING DUTY PAY.....	85896	9509	95405	73526	9895	83421	88850	7191	96041
1. AVIATION CAREER, OFFICERS.....	64622		64622	66739		66739	67351		67351
2. CREW MEMBERS, ENLISTED.....		7635	7635		8237	8237		6237	6237
3. NONCREW MEMBERS.....	149	1874	2023	158	1658	1816	128	954	1082
4. AVIATION CONTINUATION PAY.....	21000		21000	6504		6504	21252		21252
5. CREW NON-RATED.....	125		125	125		125	119		119
B. PARACHUTE JUMP PAY.....	10701	62086	72787	10289	84402	94691	10066	60019	70085
C. DEMOLITION PAY.....	365	2830	3195	279	2965	3244	266	2619	2885
D. OTHER.....	736	3104	3840	777	2719	3496	426	2464	2890
6. SPECIAL PAYS.....	403187	1112207	1515394	209970	1409533	1619503	211637	452955	664592
A. PHYSICIAN MEDICAL.....	224355		224355	148183		148183	153374		153374
B. DENTIST MEDICAL.....	34122		34122	29394		29394	28758		28758
C. NURSE MEDICAL.....	9523		9523	5885		5885	4901		4901
D. BOARD CERTIFIED PAY FOR NONPHYSICIAN HEALTH CARE PROVIDER.....	2801		2801	1614		1614	1614		1614
E. DIPLOMATE PAY FOR PSYCHOLOGISTS.....	192		192	174		174	174		174
F. OPTOMETRIST MEDICAL.....	734		734	836		836	836		836
G. PHARMACY MEDICAL.....	1560		1560	1560		1560	1560		1560
H. VETERINARIAN MEDICAL.....	1575	0	1575	1242	0	1242	1169	0	1169
1. SPECIAL PAY.....	563		563	545		545	497		497
2. DIPLOMATE PAY.....	1012		1012	697		697	672		672
I. SEA AND FOREIGN DUTY.....	33145	196460	229605	6577	383000	389577	6373	37641	44014
1. SEA DUTY.....	676	1124	1800	460	1094	1554	460	612	1072
2. HARSHIP DUTY PAY.....	32469	191357	223826	6117	377927	384044	5913	33050	38963
3. OVERSEAS EXTENSION PAY.....		3979	3979		3979	3979		3979	3979
J. FOREIGN LANGUAGE PROFICIENCY PAY.....	5979	13895	19874	6609	14048	20657	6163	18303	24466
K. DIVING DUTY PAY.....	138	3510	3648	138	1815	1953	97	866	963
L. REENLISTMENT BONUS.....		102620	102620		98640	98640		100810	100810
M. SPECIAL DUTY ASSIGN PAY.....		61965	61965		109069	109069		79814	79814
N. ENLISTMENT BONUS.....		150273	150273		149798	149798		141532	141532
O. EDUCATION BENEFITS.....		30115	30115		30566	30566		18378	18378
P. LOAN REPAYMENT.....		48131	48131		43331	43331		44399	44399
Q. HOSTILE FIRE PAY.....	76291	505238	581529	4560	579266	583826	3420	11212	14632
R. JUDGE ADVOCATE CONTINUATION PAY.....	12772		12772	3198		3198	3198		3198
S. HIGH-DEPLOYMENT PER DIEM ALLOWANCE.....	0	0	0	0	0	0	0	0	0

SECTION 3  
SUMMARY OF ENTITLEMENTS BY SUBACTIVITY  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 2003			ESTIMATE FY 2004			ESTIMATE FY 2005		
	OFFICER	ENLISTED	TOTAL	OFFICER	ENLISTED	TOTAL	OFFICER	ENLISTED	TOTAL
7. ALLOWANCE.....	187520	1129898	1317418	79866	1431846	1511712	78958	474907	553865
A. UNIFORM/CLOTHING ALLOWANCE.....	9271	344321	353592	6261	278696	284957	5040	275536	280576
1. INITIAL ISSUE.....	5414	79748	85162	3739	87203	90942	3613	90774	94387
A. MILITARY.....	4214	78183	82397	3003	84645	87648	2862	88160	91022
B. CIVILIAN.....	1200	1565	2765	736	2558	3294	751	2614	3365
2. ADDITIONAL ALLOWANCE.....	3857		3857	2522		2522	1427		1427
3. BASIC MAINTENANCE.....		44998	44998		56706	56706		56758	56758
4. STANDARD MAINTENANCE.....		95161	95161		110674	110674		110769	110769
5. SUPPLEMENTARY.....		121305	121305		16993	16993		9935	9935
6. OTHER.....		3109	3109		7120	7120		7300	7300
B. STATION ALLOWANCE OVERSEAS.....	111092	118847	229939	56256	235824	292080	61608	151133	212741
1. COST OF LIVING.....	99756	96230	195986	44760	212307	257067	50177	128135	178312
2. TEMPORARY LODGING.....	11336	22617	33953	11496	23517	35013	11431	22998	34429
C. CONUS COLA.....	3825	26951	30776	3598	26369	29967	2956	5576	8532
D. FAMILY SEPARATION ALLOWANCES.....	63282	639777	703059	13701	890955	904656	9300	42660	51960
1. PCS - NO GOVERNMENT QUARTERS.....	5397	15000	20397	4380	9660	14040	3852	8010	11862
2. PCS - DEPENDENTS NOT AUTHORIZED.....	5748	130803	136551	5937	194745	200682	3323	21559	24882
3. TDY.....	52137	493974	546111	3384	686550	689934	2125	13091	15216
E. PERSONAL MONEY ALLOWANCE.....	50	2	52	50	2	52	54	2	56



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SUMMARY OF ENTITLEMENTS BY SUBACTIVITY  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 2003			ESTIMATE FY 2004			ESTIMATE FY 2005		
	OFFICER	ENLISTED	TOTAL	OFFICER	ENLISTED	TOTAL	OFFICER	ENLISTED	TOTAL
8. SEPARATION PAY.....	83329	341385	424714	73658	292274	365932	73427	287296	360723
A. TERMINAL LEAVE PAY.....	26003	81069	107072	27669	81880	109549	24757	78503	103260
B. DONATIONS.....		4	4		4	4		4	4
C. SEVERANCE PAY, DISABILITY.....	7948	85315	93263	6585	97767	104352	6634	91467	98101
D. SEVERANCE PAY, NON-PROMOTION.....	1000		1000	0		0	0		0
E. SEVERANCE PAY, INVOL HALF (5%).....	172	30906	31078	161	13775	13936	111	15483	15594
F. SEVERANCE PAY, INVOL FULL (10%).....	20198	36931	57129	15603	28888	44491	15185	31099	46284
G. SEVERANCE PAY, VSI.....	27008	7160	34168	18540	4960	23500	21640	5760	27400
H. SEVERANCE PAY, SSB.....	0	0	0	0	0	0	0	0	0
I. SEVERANCE PAY, 15 YR RETIREMENT.....	0	0	0	0	0	0	0	0	0
J. \$30,000 LUMP SUM BONUS.....	1000	100000	101000	5100	65000	70100	5100	64980	70080
9. SPECIAL COMPENSATION FOR COMBAT RELATED DISABLED.....	2000	856	2856	0	151000	151000	0	0	0
10. SOCIAL SECURITY TAX PAYMENTS.....	382219	914888	1297107	414175	1107178	1521353	344712	753051	1097763
11. PERMANENT CHANGE OF STATION TRAVEL.....	418490	930896	1349386	453177	1062663	1515840	356870	718363	1075233
12. OTHER MILITARY PERSONNEL COSTS.....	12756	207472	220228	23137	244461	267598	2653	99006	101659
A. APPREHENSION OF DESERTERS.....		1823	1823		797	797		615	615
B. INTEREST ON SOLDIERS' DEPOSIT.....	366	765	1131	97	105	202	97	105	202
C. DEATH GRATUITIES.....	12390	14082	26472	23040	32832	55872	2556	4212	6768
D. UNEMPLOYMENT COMPENSATION.....	0	129319	129319	0	185629	185629	0	78595	78595
E. SURVIVOR BENEFITS.....		5004	5004		4519	4519		4098	4098
F. EDUCATION BENEFITS.....		22000	22000		4268	4268		4268	4268
G. ADOPTION EXPENSES.....		163	163		252	252		248	248
H. SPECIAL COMPENSATION.....		32572	32572		9200	9200		0	0
I. MASS TRANSIT SUBSIDY.....		1064	1064		4359	4359		4365	4365
J. PARTIAL DLA.....		680	680		2500	2500		2500	2500

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(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 2003			ESTIMATE FY 2004			ESTIMATE FY 2005		
	OFFICER	ENLISTED	TOTAL	OFFICER	ENLISTED	TOTAL	OFFICER	ENLISTED	TOTAL
13. CADET.....	47352		47352	49760		49760	50969		50969
SUBTOTAL, ALL MILITARY PERSONNEL APPROPRIATION REQUEST.....	9890082	26388490	36278572	9731958	31669035	41400993	8686802	21324130	30010932
14. LESS REIMBURSABLES.....	173125	426875	600000	163981	121175	285156	175466	111994	287460
A. RETIRED PAY ACCRUAL.....	22909	80737	103646	10664	16518	27182	10503	16026	26529
1. RPA.....	22909	80737	103646	10664	16518	27182	10503	16026	26529
2. DHP.....	0	0	0	0	0	0	0	0	0
B. OTHER.....	150216	346138	496354	153317	104657	257974	164963	95968	260931
1. DHP.....	0	0	0	91472	47467	138939	102313	41961	144274
2. OTHER.....	150216	346138	496354	61845	57190	119035	62650	54007	116657
TOTAL, ALL MILITARY PERSONNEL APPROPRIATION REQUEST.....	9716957	25961615	35678572	9567977	31547860	41115837	8511336	21212136	29723472

SECTION 3  
ANALYSIS OF APPROPRIATION CHANGES AND SUPPLEMENTAL REQUIREMENTS  
(AMOUNTS IN THOUSANDS OF DOLLARS)  
FY 2004

	FY 2004 PRESIDENTS BUDGET	CONGRESSIONAL ACTION	SUPPLEMENTAL	AVAILABLE APPROPRIATION	INTERNAL REALIGNMENT/ REPROGRAMMING	SUBTOTAL	PROPOSED DD 1415 ACTIONS	FY 2004 REVISED
PAY AND ALLOWANCES OF OFFICERS								
BASIC PAY.....	4,433,464	(22,879)	1,008,302	5,418,887	0	5,418,887	0	5,418,887
RETIRED PAY ACCRUAL.....	1,195,269	0	273,250	1,468,519	0	1,468,519	0	1,468,519
HEALTH CARE ACCRUAL.....	270,452	0	4,014	274,466	0	274,466	0	274,466
INCENTIVE PAY.....	77,194	0	7,677	84,871	0	84,871	0	84,871
SPECIAL PAY.....	210,015	0	5	210,020	0	210,020	0	210,020
BASIC ALLOWANCE FOR HOUSING.....	731,880	0	79,581	811,461	0	811,461	0	811,461
BASIC ALLOWANCE FOR SUBSISTENCE	166,639	0	41,127	207,766	0	207,766	0	207,766
STATION ALLOWANCES OVERSEAS.....	52,513	0	3,743	56,256	0	56,256	0	56,256
CONUS COLA.....	1,713	0	1,885	3,598	0	3,598	0	3,598
UNIFORM ALLOWANCES.....	5,133	0	1,128	6,261	0	6,261	0	6,261
FAMILY SEPARATION ALLOWANCES....	10,053	0	3,648	13,701	0	13,701	0	13,701
SEPARATION PAYMENTS.....	69,108	0	4,550	73,658	0	73,658	0	73,658
SOCIAL SECURITY TAX -								
EMPLOYER CONTRIBUTION.....	336,835	0	75,604	412,439	0	412,439	0	412,439
SUPPLEMENTAL FUNDING.....	0	0	0	0	0	0	0	0
REIMBURSABLES.....	161,766	0	0	161,766	0	161,766	0	161,766
TOTAL OBLIGATIONS.....	7,722,034	(22,879)	1,504,514	9,203,669	0	9,203,669	0	9,203,669
LESS REIMBURSABLES.....	161,766	0	0	161,766	0	161,766	0	161,766
TOTAL OFFICER DIRECT OBLIGATIONS..	7,560,268	(22,879)	1,504,514	9,041,903	0	9,041,903	0	9,041,903

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ANALYSIS OF APPROPRIATION CHANGES AND SUPPLEMENTAL REQUIREMENTS  
(AMOUNTS IN THOUSANDS OF DOLLARS)  
FY 2004

	FY 2004 PRESIDENTS BUDGET	CONGRESSIONAL ACTION	SUPPLEMENTAL	AVAILABLE APPROPRIATION	INTERNAL REALIGNMENT/ REPROGRAMMING	SUBTOTAL	PROPOSED DD 1415 ACTIONS	FY 2004 REVISED
PAY AND ALLOWANCES OF ENLISTED								
BASIC PAY.....	9,905,182	(186,388)	4,714,938	14,433,732	0	14,433,732	0	14,433,732
RETIRED PAY ACCRUAL.....	2,620,929	0	1,277,748	3,898,677	0	3,898,677	0	3,898,677
HEALTH CARE ACCRUAL.....	1,808,920	0	24,881	1,833,801	0	1,833,801	0	1,833,801
INCENTIVE PAY.....	71,540	0	28,441	99,981	0	99,981	0	99,981
SPECIAL PAY.....	78,654	(16,500)	915,977	978,131	0	978,131	0	978,131
SPECIAL DUTY ASSIGNMENT PAY....	79,814	0	29,255	109,069	0	109,069	0	109,069
REENLISTMENT BONUS.....	98,640	0	0	98,640	0	98,640	0	98,640
ENLISTMENT BONUS.....	149,798	0	0	149,798	0	149,798	0	149,798
EDUCATIONAL BENEFITS.....	30,566	0	0	30,566	0	30,566	0	30,566
LOAN REPAYMENT PROGRAM.....	43,331	0	0	43,331	0	43,331	0	43,331
BASIC ALLOWANCE FOR HOUSING.....	1,870,920	0	801,430	2,672,350	0	2,672,350	0	2,672,350
STATION ALLOWANCES OVERSEAS.....	138,319	0	97,505	235,824	0	235,824	0	235,824
CONUS COLA.....	2,826	0	23,543	26,369	0	26,369	0	26,369
CLOTHING ALLOWANCES.....	268,011	0	10,593	278,604	0	278,604	0	278,604
FAMILY SEPARATION ALLOWANCES....	44,637	0	846,318	890,955	0	890,955	0	890,955
SEPARATION PAYMENTS.....	420,816	0	(128,542)	292,274	0	292,274	0	292,274
SOCIAL SECURITY TAX -								
EMPLOYER CONTRIBUTION.....	733,815	0	368,700	1,102,515	0	1,102,515	0	1,102,515
SUPPLEMENTAL FUNDING.....	0	0	151,000	151,000	0	151,000	0	151,000
REIMBURSABLES.....	89,253	0	0	89,253	0	89,253	0	89,253
TOTAL OBLIGATIONS.....	18,455,971	(202,888)	9,161,787	27,414,870	0	27,414,870	0	27,414,870
LESS REIMBURSABLES.....	89,253	0	0	89,253	0	89,253	0	89,253
TOTAL ENLISTED DIRECT OBLIGATIONS	18,366,718	(202,888)	9,161,787	27,325,617	0	27,325,617	0	27,325,617
PAY AND ALLOWANCES OF CADETS								
TOTAL OBLIGATIONS.....	49,667	93	0	49,760	0	49,760	0	49,760
TOTAL CADET DIRECT OBLIGATIONS....	49,667	93	0	49,760	0	49,760	0	49,760

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ANALYSIS OF APPROPRIATION CHANGES AND SUPPLEMENTAL REQUIREMENTS  
(AMOUNTS IN THOUSANDS OF DOLLARS)  
FY 2004

	FY 2004 PRESIDENTS BUDGET	CONGRESSIONAL ACTION	SUPPLEMENTAL	AVAILABLE APPROPRIATION	INTERNAL REALIGNMENT/ REPROGRAMMING	SUBTOTAL	PROPOSED DD 1415 ACTIONS	FY 2004 REVISED
SUBSISTENCE OF ENLISTED PERSONNEL								
TOTAL OBLIGATIONS.....	1,405,561	(15,902)	1,559,600	2,949,259	0	2,949,259	0	2,949,259
SUPPLEMENTAL FUNDING.....	0	0	0	0	0	0	0	0
REIMBURSABLES.....	31,925	0	0	31,925	0	31,925	0	31,925
TOTAL ENL SUBSISTENCE								
DIRECT OBLIGATIONS.....	1,373,636	(15,902)	1,559,600	2,917,334	0	2,917,334	0	2,917,334
PERMANENT CHANGE OF STATION								
ACCESSION TRAVEL.....	182,818	0	124,686	307,504	0	307,504	0	307,504
TRAINING TRAVEL.....	65,722	0	0	65,722	0	65,722	0	65,722
OPERATIONAL TRAVEL.....	228,571	0	124,941	353,512	0	353,512	0	353,512
ROTATIONAL TRAVEL.....	387,417	(32,500)	92,665	447,582	0	447,582	0	447,582
SEPARATION TRAVEL.....	149,280	0	18,166	167,446	0	167,446	0	167,446
ORGANIZED UNIT TRAVEL.....	2,846	0	914	3,760	0	3,760	0	3,760
NON-TEMPORARY STORAGE.....	31,969	0	6,439	38,408	0	38,408	0	38,408
TEMPORARY LODGING EXPENSE.....	21,382	0	108,439	129,821	0	129,821	0	129,821
SUPPLEMENTAL FUNDING.....	0	0	0	0	0	0	0	0
REIMBURSABLES.....	2,085	0	0	2,085	0	2,085	0	2,085
TOTAL OBLIGATIONS.....	1,072,090	(32,500)	476,250	1,515,840	0	1,515,840	0	1,515,840
LESS REIMBURSABLES.....	2,085	0	0	2,085	0	2,085	0	2,085
TOTAL PCS DIRECT OBLIGATIONS.....	1,070,005	(32,500)	476,250	1,513,755	0	1,513,755	0	1,513,755

SECTION 3  
ANALYSIS OF APPROPRIATION CHANGES AND SUPPLEMENTAL REQUIREMENTS  
(AMOUNTS IN THOUSANDS OF DOLLARS)  
FY 2004

	FY 2004 PRESIDENTS BUDGET	CONGRESSIONAL ACTION	SUPPLEMENTAL	AVAILABLE APPROPRIATION	INTERNAL REALIGNMENT/ REPROGRAMMING	SUBTOTAL	PROPOSED DD 1415 ACTIONS	FY 2004 REVISED
OTHER MILITARY PERSONNEL COSTS								
APPREHENSION OF MILITARY DESERTERS								
ABSENTEES AND ESCAPED MILITARY								
PRISONERS.....	486	0	181	667	0	667	0	667
DEATH GRATUITIES.....	3,368	3,400	49,103	55,871	0	55,871	0	55,871
UNEMPLOYMENT BENEFITS PAID TO								
EX-SERVICE MEMBERS.....	87,394	0	98,235	185,629	0	185,629	0	185,629
SURVIVOR BENEFITS.....	4,519	0	0	4,519	0	4,519	0	4,519
ADOPTION COSTS.....	252	0	0	252	0	252	0	252
EDUCATIONAL BENEFITS.....	4,268	0	0	4,268	0	4,268	0	4,268
SOLDIER INTEREST ON DEPOSIT.....	202	0	0	202	0	202	0	202
SPECIAL COMPENSATION.....	0	0	9,200	9,200	0	9,200	0	9,200
MASS TRANSIT.....	4,360	0	0	4,360	0	4,360	0	4,360
PARTIAL DLA.....	2,500	0	0	2,500	0	2,500	0	2,500
OTHER.....	0	0	0	0	0	0	0	0
SUPPLEMENTAL FUNDING.....	0	0	0	0	0	0	0	0
REIMBURSABLES.....	130	0	0	130	0	130	0	130
TOTAL OBLIGATIONS.....	107,479	3,400	156,719	267,598	0	267,598	0	267,598
LESS REIMBURSABLES.....	130	0	0	130	0	130	0	130
TOTAL OMPC DIRECT OBLIGATIONS.....	107,349	3,400	156,719	267,468	0	267,468	0	267,468
 TOTAL DIRECT OBLIGATIONS.....	 28,527,643	 (270,676)	 12,858,870	 41,115,837	 0	 41,115,837	 0	 41,115,837

Section 3  
Schedule of Increases and Decreases  
(Amounts in thousands of dollars)

FY 2004 Direct Program \$ 41,115,837

Increases:

Pricing Increases:

a. Pay Raise. Reflects the annualization of the FY 2004 4.1% and optional targeted pay raise and the FY 2005 3.5 % pay raise effective 1 Jan 2005.	720,884
b. Subsistence	2,356
c. Inflation	56,048
d. BAH (housing cost growth 3.0% & out-of-pocket costs)	193,372
e. Foreign Currency	11,963
f. Normal Cost Percentage Change (27.1% to 27.5%)	56,729
g. Health Care Accrual	384,164
h. Apprehension of Deserters	8
i. PCS	14,172
Total Pricing Increases	1,439,696

Program Increases:

a. Special Pay	7,166
b. Voluntary Separation Payments	3,100
c. Clothing	2,200
d. Moves (Acc/Sep/Rotation/Operation)	47,148
e. Loan Repayment Program	1,068
f. Incentive Pay	23,167
g. BAS Operational and Augmentation Rations	83,700
h. Mass Transit	4
i. Death Gratuities	1,020
j. BAH - Residential Communities Initiative (RCI), and other housing changes	558,630
k. Separation Pay	9,061
l. Miscellaneous	287
Total Program Increases	736,551

Total Increases \$ 2,176,247

Decreases:

Pricing Decreases:

a. Unemployment Compensation	-2,168
b. PCS Non-Temporary Storage & Temp Lodging Expense	-3,346
Total Pricing Decreases	-5,514

Program Decreases:

a. Force Manning	-338,317
b. Basic Pay	-5,642,335
c. FICA and RPA	-1,565,319
d. Enlisted Bonus (EB) and Army College Fund (ACF)	-20,454
e. Special, Incentive, FSA, CONUS COLA, Clothing Allowance, Overseas Station Allowance	-3,108,427
f. Health Care Accrual	-285,031

g. Death Gratuities	-49,092
h. Unemployment Compensation	-102,429
i. BAS & Subsistence in Kind Percent Recieving	-1,775,773
j. PCS Moves (Dislocation, Member & Dependent Travel)	-513,503
k. Overseas Stationing	-564
l. Survivor Benefits	-421
m. Special Compensation	-9,200
n. Combat Disabilities Related	-151,000
o. Miscellaneous	-1,233

Total Program Decreases	-13,563,098
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Total Decreases

\$ -13,568,612

FY 2005 Direct Program

\$ 29,723,472



**Project: Global War on Terrorism (GWOT)**

**Part I - Purpose and Scope**

Global War on Terrorism funding began with the Public Law 107-206, 2002 Supplemental Appropriations Act. Costs reflected in this section are the pay and allowances for mobilized reservists and active component incremental costs (stop loss/overstrength and special pays, subsistence, etc.) for further recovery from and response to terrorist attacks on the United States attacks on September 11, 2001.

**Part II - Justification of Funds Requested**

Funds appropriated in P.L. 108-11 were received from the FY 2003 Emergency Supplemental to support GWOT. Per P.L. 108-11; \$8,729M were received from the Emergency Supplemental to fund GWOT expenses for mobilized reserve component payroll, subsistence, travel and other military cost for Operation Iraqi Freedom (OIF), Operation Noble Eagle (ONE), and Operation Enduring Freedom (OEF).

During FY 2003, 13,287 Officer and 84,560 Enlisted man years were funded for mobilized reserve component and active component overstrength personnel in support of Operation Noble Eagle/Operation Enduring Freedom, and Operation Iraqi Freedom.

Funds appropriated in P.L. 108-106 were received from the FY 2004 Emergency Supplemental to support GWOT. Per P.L. 108-106; \$12,878M were received from the Emergency Supplemental to fund GWOT expenses for mobilized reserve component payroll, subsistence, travel and other military cost for Operation Iraqi Freedom (OIF), Operation Noble Eagle (ONE), and Operation Enduring Freedom (OEF).

During FY 2004 we anticipate 148,441 man years will be funded for mobilized reserve component and active component overstrength personnel in support of Operation Noble Eagle/Operation Enduring Freedom, and Operation Iraqi Freedom. Costs reflected in this section are the pay and allowances for mobilized reservists. This does not include pay and allowances for mobilized reservists paid by the Defense Emergency Response Fund, TDY for mobilized reservists, or pay and allowances for active army personnel. These costs are reflected in other parts of the Military Personnel appropriation, the Operations and Maintenance appropriation, and the Defense Emergency Response Fund appropriation.

OTHER MILITARY PERSONNEL COSTS  
GLOBAL WAR ON TERRORISM  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 2003	ESTIMATE FY 2004	ESTIMATE FY 2005
GLOBAL WAR ON TERRORISM.....	\$ 0	\$ 0	\$ 0

Schedule of Increases and Decreases  
(Amounts in thousands of dollars)

Pay and Allowance of Officers

FY 2004 Direct Program \$ 9,041,903

Increases:

Pricing Increases:

a. Pay Raise. Reflects the annualization of the FY 2004 4.1% pay raise and optional targeted pay raise and the FY 2005 3.5% pay raise, effective 1 Jan 2005	216,387
b. Defense Health Program. Reflects an increase in rates from FY 2004 to FY 2005.	62,456
c. Basic Allowance for Housing. Reflects DOD initiative to reduce out-of-pocket housing cost to 0% in FY 2005. Also includes housing cost growth of 3.0%.	57,827
d. Increase in RPA Normal Cost Percentage from 27.1% in FY 2004 to 27.5% in FY 2005.	17,800
e. Inflation increase for Basic Allowance, Family Separation Allowance, and Civilian Clothing.	7,730
f. Change in foreign currency valuation.	3,214
Total Pricing Increases	365,414

Program Increases:

a. Basic Allowance for Housing. Reflects continued privatization of Army family housing units under the residential communities initiative (RCI) and other housing changes.	215,780
b. Reflects increased need for Aviation Career Incentive Pay and Aviation Continuation Pay.	22,414
c. Reflects increase in number of officers expected to receive Overseas COLA payments.	4,116
d. Reflects increased transfer into VSI Trust Fund.	3,100
e. Reflects increased need for special pay for health professionals, offset by reduced requirement for other types of special pays.	1,296
Total Program Increases	246,706

Total Increases \$ 612,120

Decreases:

Pricing Decreases:

	0
Total Pricing Decreases	0

Program Decreases:

a. Basic Pay - Reflective of reduced number on payroll.	-752,485
b. Retired Pay Accrual - Reflects decrease caused by prior year supplemental.	-186,214
c. Special Pay - Reflects decrease caused by prior year supplemental.	-101,324
d. FICA Tax - Reflects decrease caused by prior year supplemental.	-55,369
e. Family Separation Allowance - Reflects decrease caused by prior year supplemental.	-51,767

f. Basic Allowance for Subsistence - Reflects decrease caused by prior year supplemental.	-36,110
g. Defense Health Plan - Reflects decrease caused by prior year supplemental.	-29,214
h. Average Salary-Grade/Skill Mix	-331,767
i. Increase in reimbursable program resulting in decrease in direct program.	-8,929
Total Program Decreases	-1,553,179

Total Decreases

\$ -1,553,179

FY 2005 Direct Program

\$ 8,100,844

(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE	FY 2005	\$ 4,587,538
ESTIMATE	FY 2004	\$ 5,458,240
ACTUAL	FY 2003	\$ 4,945,870

**Project: Basic Pay - Officers**

**Part I - Purpose and Scope**

The funds requested provide for the basic compensation and length of service pay increments of officers on active duty under provisions of 37 U.S.C. 201, 203, 204, 205, and 1009. Also included is the compensation of officers of the reserve components who have entered active duty as members of the active component of the Army.

**Part II - Justification of Funds Required**

The basic compensation is determined by multiplying the projected average number of personnel by grade by the estimated average annual compensation, including length of service increments, for each grade.

Detailed cost computations are provided by the following table:

OFFICER BASIC PAY  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 2003			ESTIMATE FY 2004			ESTIMATE FY 2005		
	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT
GENERAL.....	9	\$ 141,424	\$ 1,273	10	\$ 143,441	\$ 1,434	10	\$ 149,128	\$ 1,491
LIEUTENANT GENERAL.....	40	134,498	5,380	43	137,724	5,922	43	144,558	6,216
MAJOR GENERAL.....	103	121,858	12,551	103	124,781	12,852	103	130,970	13,490
BRIGADIER GENERAL.....	150	108,059	16,209	157	110,644	17,371	157	116,125	18,232
COLONEL.....	4,180	91,639	383,051	4,612	93,967	433,376	3,703	98,766	365,730
LIEUTENANT COLONEL.....	10,169	74,327	755,831	11,581	76,169	882,113	9,317	80,000	745,360
MAJOR.....	17,550	63,135	1,108,019	18,346	64,843	1,189,610	14,643	68,149	997,906
CAPTAIN.....	28,438	49,742	1,414,563	31,812	50,932	1,620,249	25,360	53,397	1,354,148
1ST LIEUTENANT.....	10,501	37,940	398,408	9,670	38,766	374,867	8,289	40,602	336,550
2ND LIEUTENANT.....	8,525	29,042	247,583	8,877	29,552	262,333	6,329	30,822	195,072
SUBTOTAL.....	79,665		\$ 4,342,868	85,211		\$ 4,800,127	67,954		\$ 4,034,195
WARRANT OFFICER (W-5).....	477	\$ 66,864	\$ 31,894	497	\$ 68,416	\$ 34,003	398	\$ 71,757	\$ 28,559
WARRANT OFFICER (W-4).....	1,730	57,332	99,184	1,958	59,402	116,309	1,570	62,402	97,971
WARRANT OFFICER (W-3).....	3,989	47,674	190,172	3,642	49,697	180,996	2,893	52,615	152,215
WARRANT OFFICER (W-2).....	5,136	39,042	200,520	5,890	40,160	236,542	4,733	42,015	198,857
WARRANT OFFICER (W-1).....	2,465	32,954	81,232	2,653	34,023	90,263	2,120	35,727	75,741
SUBTOTAL.....	13,797		\$ 603,002	14,640		\$ 658,113	11,714		\$ 553,343
TOTAL OFFICER BASIC PAY...	93,462		\$ 4,945,870	99,851		\$ 5,458,240	79,668		\$ 4,587,538

(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE	FY 2005	\$ 1,261,573
ESTIMATE	FY 2004	\$ 1,479,183
ACTUAL	FY 2003	\$ 1,355,168

**Project: Retired Pay Accrual - Officers**

**Part I - Purpose and Scope**

The funds requested provide for the Department of Defense's contribution to its Military Retirement Fund, in accordance with 10 U.S.C 1466.

**Part II - Justification of Funds Requested**

The budget estimates are derived as a product of:

(a) The DOD Actuary-approved full-time normal cost percentage (NCP) of basic pay, i.e., 27.4 percent for FY 2003, 27.1 percent for FY 2004, and 27.5 percent for FY 2005.

(b) The total amount of the basic pay expected to be paid during the fiscal year to members of the Active Army.

The net change in the retired pay accrual from FY 2004 to FY 2005 is based on no GWOT personnel funded in FY 2005 budget.

Detailed cost computations are provided by the following table:

OFFICER RETIRED PAY ACCRUAL  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 2003			ESTIMATE FY 2004			ESTIMATE FY 2005		
	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT
RPA.....	93,462	\$ 14,499.67	\$ 1,355,168	99,851	\$ 14,813.90	\$ 1,479,183	79,668	\$ 15,835.38	\$ 1,261,573



(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE FY 2005	\$ 426,390
ESTIMATE FY 2004	\$ 365,938
ACTUAL FY 2003	\$ 339,232

**Project: Health Care Accrual - Officers**

**Part I - Purpose and Scope**

The funds will be used to pay the health care accrual amount into the Department of Defense Medicare-eligible Retiree Health Care Fund for the future Medicare-eligible health care costs for current military personnel.

**Part II - Justification of Funds Requested**

The budgetary estimates are derived as a product of the approved actuarial rate and the average strength.

The estimate for over-65 retirees increases from FY 2004 to FY 2005 by +\$61.1 million. The requirement to finance the under-65 retirees has been rescinded. Whereas the funding from FY 2004 to FY 2005 decreases by -\$29.2 million due to no supplemental funding in FY 2005 budget.

Detailed cost computations are provided by the following table:

OFFICER HEALTH CARE ACCRUAL  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 2003 AMOUNT	ESTIMATE FY 2004 AMOUNT	ESTIMATE FY 2005 AMOUNT
HEALTH CARE ACCRUAL.....	\$ 339,232	\$ 365,938	\$ 426,390

ESTIMATE	FY 2005	\$ 99,608
ESTIMATE	FY 2004	\$ 84,871
ACTUAL	FY 2003	\$ 97,698

**Project: Incentive Pay for Hazardous Duty - Officers**

**Part I - Purpose and Scope**

The funds requested will provide for pay to officers under provisions of 37 U.S.C. 301 for these types of duty:

Flight Aviation Service (Rated Officers) - includes rated aviators, who are entitled to continuous aviation career incentive pay, regardless of current duty assignment, as prescribed by the Aviation Career Incentive Act of 1974. In addition, aviators who are assigned to operational flying positions and flight surgeons, both of whom are required to fly at least four hours of aerial flight each month, are eligible.

Aviation Continuation Pay - executes a written agreement to remain on active duty in aviation service for at least one year.

Flight Crew Member/Non-crew member (Non-rated Officers) - assigned to a position that requires at least four hours of aerial flight each month. Non-crew members perform duties directly related to the in-flight mission of the aircraft, e.g., ground liaison officers, aviation maintenance technicians, or aeromedical physicians assistants. The duties performed by crew members are essential to the mission of the aircraft, e.g., aerial observers and airborne electrical equipment sensor operators.

Parachute - assigned to a permanent parachute position or airborne unit which requires parachute jumping as an essential part of military duty, or while undergoing airborne-type training, or performing short-term parachute duty. Continuous payment of hazardous duty pay for parachute duty requires at least one parachute jump every three months. Pay for the short-term parachute duty is prorated based on the duration of the period for which parachute jumping is required.

High Altitude Low Opening Jump Pay - assigned to a permanent military free-fall position which requires parachute jumping from at least 2,500 feet with a planned delay between exit and opening as an essential part of military duties, or while undergoing military free-fall type training at the US Army Military Free-fall Course at the US Army John F. Kennedy Special Warfare School. Soldiers must be graduates of military free-fall course or undergoing training for such designation. They must also be required by orders to engage in military free-fall jumps from an aircraft in flight and perform the specified minimum jumps to be entitled to pay. Proficiency requirements will remain the same as static line requirements.

Demolition of Explosives - assigned to a position, which requires the member, as his primary duty, to demolish by the use of explosives, objects, obstacles, or explosives; or recover and render harmless, by disarming or demolition, explosives, which failed to function as, intended

or which become a potential hazard. Demolition pay is limited to those serving in Specialty 91E (Explosive Ordnance Disposal Officer).

Toxic Pesticides Exposure - for duty performed while assigned to entomology, pest control, pest management, or preventive medicine functions for a period of 30 consecutive days or more; that requires a member to performing any calendar month a fumigation task utilizing phosphine, sulfuryl fluoride, hydrogen cyanide, methyl bromide, or a fumigant of comparable high acute toxicity and hazard potential.

Experimental Stress - serving as a human test subject in thermal stress experiments at Natick Laboratories, Natick, MA. The tests conducted include development of equipment (mostly clothing) and physiological testing. Also low pressure, high altitude chamber training is conducted at the US Army Aeromedical Center; Fort Rucker, AL. and the Armed Forces Institute of Pathology; Washington, DC.

Chemical Munitions - this is a peacetime hazardous incentive pay for members of the uniformed services whose primary duties require the routine physical handling of chemical munitions or chemical surety material. Routine physical handling must be incident to manufacturing, maintenance, storage, testing, laboratory analysis, transportation, surveillance, assembly, disassembly, demilitarization, or disposal of chemical munitions or chemical surety material. This incentive pay is not authorized for individuals who handle the individual components of binary munitions, dilute solutions of toxic chemicals, riot control agents, chemical defoliants, herbicides, smoke, flame and incendiaries, or industrial chemicals.

## **Part II - Justification of Funds Requested**

The projected average number of payments is based on the total spaces where each type of pay is authorized to meet force structure requirements. The compensation for aviation service (rated officers) is obtained by multiplying the projected average number of personnel authorized for this type of pay by rates established in 37 U.S.C. 301a for years of aviation service or years of officer service to include a specified number of years in jobs which justify flying. The compensation for all other types of incentive pay is arrived at by multiplying the projected number of each type by the statutory rate.

Detailed cost computations are provided by the following table:

OFFICER INCENTIVE PAY FOR HAZARDOUS DUTY  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 2003			ESTIMATE FY 2004			ESTIMATE FY 2005		
	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT
INCENTIVE PAY									
FLYING DUTY COMMISSIONED									
OFFICERS CATEGORY									
Crew 125.....	560	\$ 1,500	\$ 840	560	\$ 1,500	\$ 840	420	\$ 1,500	\$ 630
Crew 156.....	273	1,874	512	280	1,874	525	280	1,874	525
Crew 188.....	341	2,256	769	271	2,256	611	280	2,256	632
Crew 206.....	552	2,473	1,365	604	2,473	1,494	592	2,473	1,464
Crew 250.....	75	3,000	225	91	3,000	273	17	3,000	51
Crew 385.....	40	4,620	185	46	4,620	213	14	4,620	65
Crew 495.....	56	5,940	333	74	5,940	440	66	5,940	392
Crew 585.....	98	7,020	688	106	7,020	744	73	7,020	512
Crew 650.....	1,801	7,800	14,048	1,737	7,800	13,549	1,777	7,800	13,861
Crew 840.....	1,385	10,080	13,961	1,428	10,080	14,394	1,498	10,080	15,100
SUBTOTAL.....	5,181		\$ 32,926	5,197		\$ 33,083	5,017		\$ 33,232
WARRANT OFFICERS CATEGORY									
Crew 125.....	1,120	1,500	1,680	1,120	1,500	1,680	1,119	1,500	1,679
Crew 156.....	405	1,872	758	517	1,872	968	558	1,872	1,045
Crew 188.....	359	2,256	810	401	2,256	905	559	2,256	1,261
Crew 206.....	731	2,472	1,807	734	2,472	1,814	728	2,472	1,800
Crew 650.....	1,689	7,800	13,174	1,585	7,800	12,363	1,729	7,800	13,486
Crew 840.....	1,336	10,080	13,467	1,580	10,080	15,926	1,473	10,080	14,848
SUBTOTAL.....	5,640		\$ 31,696	5,937		\$ 33,656	6,166		\$ 34,119
TOTAL FLYING DUTY CREW.....	10,821		\$ 64,622	11,134		\$ 66,739	11,183		\$ 67,351
FLYING DUTY NON-CREW MEMBERS.....	83	1,800	149	88	1,800	158	71	1,800	128
AVIATION CONTINUATION PAY.....	1,750	12,000	21,000	542	12,000	6,504	1,771	12,000	21,252
CREW-NONRATED.....	45	2,775	125	45	2,775	125	43	2,775	119
TOTAL FLYING DUTY PAY.....	12,699		\$ 85,896	11,809		\$ 73,526	13,068		\$ 88,850
OTHER HAZARDOUS DUTY									
EXPERIMENTAL STRESS	22	1,800	40	135	1,800	243	20	1,800	36
TOXIC PESTICIDES EXPOSURE	91	1,800	164	91	1,800	164	2	1,800	4
CHEMICAL MUNITIONS	15	1,800	27	12	1,800	22	15	1,800	27
HALO JUMP	187	2,700	505	129	2,700	348	133	2,700	359
SUBTOTAL (OTHER)	315		\$ 736	367		\$ 777	170		\$ 426
PARACHUTE JUMPING	5,945	1,800	10,701	5,716	1,800	10,289	5,592	1,800	10,066
DEMOLITION OF EXPLOSIVES	203	1,800	365	155	1,800	279	148	1,800	266
TOTAL	6,463		\$ 11,802	6,238		\$ 11,345	5,910		\$ 10,758
TOTAL OFFICER INCENTIVE PAY FOR HAZARDOUS DUTY.....	19,162		\$ 97,698	18,047		\$ 84,871	18,978		\$ 99,608

(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE FY 2005	\$ 211,691
ESTIMATE FY 2004	\$ 210,020
ACTUAL FY 2003	\$ 403,237

**Project: Special Pay - Officers**

**Part I - Purpose and Scope**

Funds requested in this account are authorized to provide monetary incentives for the procurement and retention of officers assigned as physicians, dentists, nurses, psychologists, non-physician health care providers, veterinarians, optometrists, divers, and linguists. Additionally, this account includes special pays authorized to general officers to partially offset extraordinary expenses incurred in the performance of their official duties. Finally, this account covers special pays authorized for officers, who are assigned sea duty and those who are on duty subject to hostile fire or imminent danger.

Special Pay for Physicians - these payments are authorized by 37 U.S.C. 302, as amended. They are intended to provide a monetary incentive for the procurement and retention of medical officers. A physician may qualify for the following pays:

(1) Variable Special Pay - paid monthly as an automatic entitlement to all medical corps officers on active duty. The annual rate of pay is based upon the number of years of creditable service for special pay. The annual amounts range from \$1,200 to \$12,000.

(2) Board Certified Pay - paid on a monthly basis to medical corps officers who are currently certified by an American medical or osteopathic examining board. The annual rate payable is determined by the number of years of creditable service for special pay. The annual amounts range from \$2,500 to \$6,000.

(3) Additional Special Pay - paid as a lump sum bonus to medical corps officers who are not undergoing internship or initial residency training and who execute an agreement to remain on active duty for one year. The annual payment for all recipients is \$15,000.

(4) Incentive Special Pay (ISP)/Medical Incentive Pay - paid as a lump sum bonus to administratively eligible medical officers who are fully qualified in Department of Army (DA) selected specialty categories and who execute an agreement to remain on active duty for a period of not less than 12 months. The Office of the Surgeon General develops an ISP program annually tailored to meet the critical needs of the following year. Payment amounts range from \$3,000 to \$36,000.

(5) Multi-year Special Pay - the FY 1991 DOD Authorization Act (PL 101-510) authorized a new multi-year special pay to be used in conjunction with ISP. Officers must be either unobligated for medical education and training or must have at least eight years of creditable service. There are three categories of specialties/pays with different pay levels for two-year, three-year, and four-year contracts. The annual amounts range from \$6,000 to \$14,000.

Other Special Pay - Dentist Pay - these payments are authorized by 37 U.S.C. 302b, 302h, and 311 and are intended to provide monetary incentives for the procurement and retention of dental officers. A dentist may qualify for the following special pays:

(1) Variable Special Pay - paid monthly as an automatic entitlement to all dental corps officers on active duty. The annual rate of pay is based on the number of years of creditable service for special pay. The annual rate ranges from \$3,000 to \$12,000.

(2) Board Certified Pay - paid on a monthly basis to dental corps officers who are currently certified by an American dental association specialty examining board or who have been awarded board certification equivalency by the Surgeon General. The annual rate is based on the number of years of creditable service for special pay. The annual rate ranges from \$2,500 to \$6,000.

(3) Additional Special Pay - paid as a lump sum bonus to dental corps officers who are not undergoing internship of initial residency training, who have a minimum of three years of creditable service for special pay, and who execute an agreement to remain on active duty for one year. The rate of pay is based on the number of years of creditable service for special pay. The payment amount ranges from \$4,000 to \$15,000.

(4) Multi-year Retention Bonus - the FY 1998 DOD Authorization Act (PL 105-85) authorized the use of a retention bonus for dental officers who execute a written agreement to remain on active duty for two, three, or four years after completion of any other active duty service commitment. Eligibility criteria require that a dental corps officer must be below the pay grade of O-7 and have a dental specialty in oral and maxillofacial surgery; have at least eight years of creditable service or have completed any active duty service commitment incurred for dental education and training; and have completed initial residency training (or will complete such training before 30 Sep of the fiscal year in which the officer enters into an agreement). The payment amount ranges from \$3,000 to \$14,000.

(5) Accession Bonus - paid to an individual who is a graduate of an accredited dental school and who executes an agreement to remain on active duty as a commissioned officer for a period of not less than four years. The amount of the accession bonus may not exceed \$30,000.

Nurses - nurse anesthetists are authorized to receive a special pay of \$6,000 per individual for one year and requires a written agreement to remain on active duty for a period of not less than 12 months. A nurse anesthetist with more than four years of service can receive a payment of \$15,000. The accession bonus of \$5,000 per individual requires acceptance of a commission as an officer combined with an agreement to remain on active duty for four years.

Diplomate Pay for Psychologists and Board Certified Pay for Non-physician Health Care Providers - paid on a monthly basis to an officer who is designated a psychologist and has been awarded a diploma as a Diplomate in Psychology, or an officer who is a health care provider based on the DoD definition approved by the Assistant Secretary of Defense (Health Affairs (ASD(HA))) in coordination with the Services, has a post baccalaureate degree in the officer's clinical specialty, and has obtained advance level (past entry level) certification by an approved professional board in the officer's specialty. The annual amounts range from \$2,000 to

\$5,000 and are based on years of creditable service. Eligible specialties and boards are determined by the ASD(HA) in coordination with the Services.

Optometrists - these payments are authorized by 37 U.S.C. 302a and are intended to provide monetary incentives for the procurement and retention of optometry officers. These officers are authorized \$100 per month of active duty.

Pharmacists - these payments are authorized by 37 U.S.C. 302j and are paid to an individual who is a graduate of an accredited pharmacy school and who executes a written agreement between 30 Oct 00 and 30 Sep 04 to remain on active duty as a commissioned officer for a period not less than four years. The amount of the one-time accession bonus may not exceed \$30,000.

Veterinarians - these payments are authorized by 37 U.S.C. 303 and are intended to provide monetary incentives for the procurement and retention of veterinary officers. These officers are authorized \$100 per month of active duty. The National Defense Authorization Act for Fiscal Year 2000 (PL 106-65), Section 616, amended 37 U.S.C. 303, adding a special pay entitlement for Veterinary Corps officers who are board certified as a Diplomate. As required by statute, this special pay is effective 1 October 1999. Assistant Secretary of Defense (Health Affairs) policy implemented Veterinary Corps officer Diplomate Pay in a manner that will provide an incentive for Veterinary Corps officers to attain the highest level of professional achievement of Diplomate status in a veterinary medical specialty recognized by the American Veterinary Medical Association. The Diplomate Pay annual award, paid in equal monthly amounts, is based on creditable service as a Veterinary Corps officer on active duty. The annual range of the special is from \$2,000 to \$5,000.

Judge Advocate Continuation Pay (JACP) - The FY 2000 National Defense Authorization Act, section 629, provided Services Secretaries with the authority to pay eligible Judge Advocates (JA) continuation pay in return for additional active duty service obligations. The continuation pay cannot exceed \$60,000 per any eligible JA. The Army started using the continuation pay in FY 2000 as one means of addressing a shortfall in JA retention.

Personal Allowance, General Officers - in addition to other pay and allowances authorized, an officer who is entitled to basic pay is entitled to a personal money allowance of (1) \$500 a year while serving in the grade of lieutenant general, (2) \$2,200 per year while serving in the grade of general, (3) \$2,200 in addition to the personal money allowance in (1) above while serving as a senior member of the military staff committee of the United Nations and (4) \$4,000 per year, in place of any other personal money allowance, while serving as Chief of Staff of the Army (37 U.S.C 414). Additionally, an officer serving as the Chairman of the Joint Chiefs of Staff is entitled to \$4,000 per year in place of any other personal money allowance (37 U.S.C 413). This allowance is intended to partially reimburse high ranking officers for the many unusual personal expenses they incur in the performance of their official duties.



Diving Duty Pay - under regulations prescribed by the Secretary of the Army, an officer or warrant officer who is entitled to basic pay is entitled to special pay at a rate of not more than \$200 a month for periods during which they (1) are assigned by orders to the duty of diving, (2) are required to maintain proficiency as a diver by frequent and regular dives, and (3) actually perform diving duty (37 U.S.C 304). Dive officers are assigned to a position as the leader of a diving detachment, which supports marine or special operation units. Duties of marine diving detachments include underwater construction (construction of piers and pipelines), harbor clearance, and ship salvage. Special forces (combat) diving operations include infiltration and exfiltration, combat surface swimming, search and recovery, target attack, harassment and interdiction, and reconnaissance operations.

Sea Duty Pay - Army members who are entitled to basic pay are also entitled, while on sea duty, to special pay at rates which vary with grade and years of sea duty. The range of rates for warrant officers and officers is \$130 to \$410 per month. The term "sea duty" means duty performed by a member (1) while assigned to a ship, and while serving on a ship the primary mission of which is accomplished while underway; or (2) while assigned to a ship, and while serving on a ship the primary mission of which is normally accomplished while in port, but only while the ship is away from its home port for 30 or more consecutive days. Additionally, the member entitled to career sea pay who has served 36 consecutive months of sea duty is entitled to a career sea pay premium of \$100 per month for the 37th month and each consecutive month of sea duty served (37 U.S.C. 305a). Individuals who are affected by career sea pay are generally assigned to Fort Eustis, Virginia; Hawaii; Panama; or the Azores.

Foreign Language Proficiency Pay (FLPP) - this pay is authorized under the provisions of 37 U.S.C. 316. FLPP is a monthly monetary incentive that is paid to all military personnel who qualify for and maintain the required proficiency in designated foreign languages. The monthly rate may not exceed \$300.00 per individual.

Hostile Fire Pay - paid to officers on duty subject to hostile fire or imminent danger (37 U.S.C. 310). Paid at the rate of \$150 per month.

Hardship Duty Pay - paid to officers performing duty in an location that is designated by The Secretary of Defense as hardship duty. The monthly rate may not exceed \$300.00 per individual.

## **Part II - Justification of Funds Requested**

The projected average number of personnel is based on the total spaces where each type of pay is authorized to meet force structure requirements. Funding requirements are based on the estimated number of officers eligible for each type of payment and rate of payment.

Detailed cost computations are provided by the following table:

OFFICER SPECIAL PAY  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 2003			ESTIMATE FY 2004			ESTIMATE FY 2005		
	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT
SPECIAL PAY FOR PHYSICIANS									
VARIABLE SPECIAL PAY.....	5,472	\$ 7,983	\$ 43,683	4,745	\$ 7,983	\$ 37,879	4,136	\$ 7,983	\$ 33,018
ADDITIONAL SPECIAL PAY.....	4,417	15,000	66,255	3,004	15,000	45,060	3,040	15,000	45,600
BOARD CERTIFIED PAY.....	3,338	3,791	12,654	2,476	3,791	9,387	2,476	3,791	9,387
INCENTIVE SPECIAL PAY.....	4,605	19,440	89,521	1,054	19,440	20,490	2,792	19,440	54,276
MULTI-YEAR SPECIAL PAY.....	1,190	10,287	12,242	3,437	10,290	35,367	1,078	10,290	11,093
SUBTOTAL.....	19,022		\$ 224,355	14,716		\$ 148,183	13,522		\$ 153,374
OTHER SPECIAL PAY									
DENTIST PAY									
VARIABLE SPECIAL PAY.....	1,279	\$ 8,090	\$ 10,347	1,201	\$ 8,090	\$ 9,716	1,097	\$ 8,090	\$ 8,875
ADDITIONAL SPECIAL PAY.....	1,055	11,674	12,316	998	11,674	11,651	917	11,674	10,705
BOARD CERTIFIED PAY.....	432	5,435	2,348	427	5,435	2,321	418	5,435	2,272
MULTI-YEAR SPECIAL PAY.....	475	10,528	5,001	485	10,528	5,106	599	10,528	6,306
ACCESSION BONUS.....	137	30,000	4,110	20	30,000	600	20	30,000	600
SUBTOTAL.....	3,378		\$ 34,122	3,131		\$ 29,394	3,051		\$ 28,758
NURSE PAY									
ACCESSION BONUS.....	180	\$ 5,000	\$ 900	150	\$ 5,000	\$ 750	276	\$ 5,000	\$ 1,380
ANESTHETIST PAY.....	764	11,286	8,623	455	11,286	5,135	312	11,286	3,521
SUBTOTAL.....	944		\$ 9,523	605		\$ 5,885	588		\$ 4,901
BOARD CERTIFIED PAY FOR NON-PHYSICIAN									
HEALTH CARE PROVIDERS.....	1,145	\$ 2,446	\$ 2,801	660	\$ 2,446	\$ 1,614	660	\$ 2,446	\$ 1,614
DIPLOMATE PAY FOR PSYCHOLOGISTS..	53	3,625	192	48	3,625	174	48	3,625	174
OPTOMETRISTS PAY									
SPECIAL PAY.....	127	\$ 1,200	\$ 152	127	\$ 1,200	\$ 152	127	\$ 1,200	\$ 152
RETENTION PAY.....	114	5,105	582	114	6,000	684	114	6,000	684
SUBTOTAL.....	241		\$ 734	241		\$ 836	241		\$ 836
PHARMACY PAY									
SPECIAL PAY.....	135	\$ 8,000	\$ 1,080	135	\$ 8,000	\$ 1,080	135	\$ 8,000	\$ 1,080
ACCESSION BONUS.....	16	30,000	480	16	30,000	480	16	30,000	480
SUBTOTAL.....	151		\$ 1,560	151		\$ 1,560	151		\$ 1,560
VETERINARIAN PAY									
SPECIAL PAY.....	469	\$ 1,200	\$ 563	454	\$ 1,200	\$ 545	414	\$ 1,200	\$ 497
DIPLOMATE PAY.....	289	3,500	1,012	199	3,500	697	192	3,500	672
SUBTOTAL.....	758		\$ 1,575	653		\$ 1,242	606		\$ 1,169
TOTAL MEDICAL PAY.....	25,692		\$ 274,862	20,205		\$ 188,888	18,867		\$ 192,386

OFFICER SPECIAL PAY  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 2003			ESTIMATE FY 2004			ESTIMATE FY 2005		
	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT
PERSONAL MONEY ALLOWANCES -									
GENERAL OFFICERS									
CHAIRMAN, JCS.....	2	\$ 4,000	\$ 8	1	\$ 4,000	\$ 4	1	\$ 4,000	\$ 4
CHIEF OF STAFF.....	2	4,000	8	1	4,000	4	1	4,000	4
SENIOR MEMBER OF STAFF									
COMMITTEE OF UNITED NATIONS..	1	2,700	3	1	2,700	3	3	2,700	8
GENERAL.....	5	2,200	11	8	2,200	18	8	2,200	18
LIEUTENANT GENERAL.....	39	500	20	42	500	21	40	500	20
SUBTOTAL.....	49		\$ 50	53		\$ 50	53		\$ 54
DIVING DUTY PAY.....	51	\$ 2,706	\$ 138	51	\$ 2,706	\$ 138	36	\$ 2,694	\$ 97
HOSTILE FIRE PAY.....	28,256	2,700	76,291	1,689	2,700	4,560	1,689	2,025	3,420
SEA DUTY PAY.....	181	3,735	676	116	3,966	460	116	3,966	460
FOREIGN LANGUAGE PAY.....	3,137	1,906	5,979	4,072	1,623	6,609	3,797	1,623	6,163
HARDSHIP DUTY PAY.....	28,557	1,137	32,469	5,380	1,137	6,117	5,380	1,099	5,913
JUDGE ADVOCATE									
CONTINUATION PAY.....	623	20,500	12,772	162	19,741	3,198	162	19,741	3,198
HIGH-DEPLOYMENT									
PER DIEM ALLOWANCE.....	0	0	0	0	0	0	0	0	0
TOTAL OFFICER SPECIAL PAY.....	86,546		\$ 403,237	31,728		\$ 210,020	30,100		\$ 211,691

(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE FY 2005	\$ 1,019,189
ESTIMATE FY 2004	\$ 830,595
ACTUAL FY 2003	\$ 1,442,076

**Project: Basic Allowance for Housing - Officers**

**Part I - Purpose and Scope**

Congress approved in the FY 1998 National Defense Authorization Act the payment of a basic allowance for housing (BAH) to service members. The overseas housing allowance (OHA) payment, formerly located in overseas station allowances moved into this section by a change in law. The continental United States, Alaska, and Hawaii BAH is termed BAH Domestic, while the overseas housing allowance is called BAH Overseas. Payment to service members is authorized by revisions to 37 U.S.C. 403.

**Part II - Justification of Funds Requested**

Detailed cost computations are provided by the following table:

OFFICER BASIC ALLOWANCE FOR HOUSING - DOMESTIC  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 2003			ESTIMATE FY 2004			ESTIMATE FY 2005		
	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT
BAH WITH DEPENDENTS									
GENERAL.....	81	22,704	\$ 1,839	84	24,095	\$ 2,024	84	25,690	\$ 2,158
COLONEL.....	3,498	21,159	74,014	1,766	22,683	40,058	2,424	24,185	58,624
LIEUTENANT COLONEL.....	8,856	19,737	174,791	4,614	21,168	97,669	6,346	22,569	143,223
MAJOR.....	14,106	16,476	232,410	6,744	17,657	119,079	9,206	18,825	173,303
CAPTAIN.....	17,917	13,317	238,601	9,168	14,285	130,965	12,496	15,230	190,314
1ST LIEUTENANT.....	4,457	11,286	50,302	1,878	12,137	22,793	2,752	12,941	35,614
2ND LIEUTENANT.....	3,186	10,740	34,218	1,517	11,582	17,570	1,850	12,348	22,844
OFFICER SUBTOTAL.....	52,101		\$ 806,175	25,771		\$ 430,158	35,158		\$ 626,080
WARRANT OFFICER (5).....	490	14,412	7,062	234	15,497	3,626	320	16,523	5,287
WARRANT OFFICER (4).....	1,656	12,909	21,377	857	13,842	11,863	1,175	14,759	17,342
WARRANT OFFICER (3).....	3,480	12,621	43,921	1,453	13,603	19,765	1,974	14,503	28,629
WARRANT OFFICER (2).....	3,671	11,826	43,413	1,926	12,731	24,520	2,646	13,574	35,917
WARRANT OFFICER (1).....	1,558	10,092	15,723	766	11,001	8,427	1,048	11,729	12,292
WARRANT OFFICER SUBTOTAL...	10,855		\$ 131,496	5,236		\$ 68,201	7,163		\$ 99,467
TOTAL BAH									
WITH DEPENDENTS.....	62,956		\$ 937,671	31,007		\$ 498,359	42,321		\$ 725,547
BAH DIFFERENTIAL.....	1,333	1,824	2,431	1,312	1,958	2,569	1,297	1,998	2,591
TOTAL.....	64,289		\$ 940,102	32,319		\$ 500,928	43,618		\$ 728,138
BAH WITHOUT DEPENDENTS									
GENERAL.....	5	17,200	\$ 86	5	18,600	\$ 93	5	20,000	\$ 100
COLONEL.....	461	18,783	8,659	271	20,183	5,470	236	21,519	5,078
LIEUTENANT COLONEL.....	1,572	16,542	26,004	956	17,770	16,988	834	18,947	15,802
MAJOR.....	3,790	14,259	54,042	2,115	15,371	32,510	1,830	16,388	29,990
CAPTAIN.....	13,035	11,013	143,554	7,787	11,885	92,548	6,728	12,671	85,250
1ST LIEUTENANT.....	7,186	9,159	65,817	3,534	9,839	34,771	3,284	10,490	34,449
2ND LIEUTENANT.....	5,217	8,376	43,698	2,901	9,005	26,124	2,242	9,601	21,525
OFFICER SUBTOTAL.....	31,266		\$ 341,860	17,569		\$ 208,504	15,159		\$ 192,194
WARRANT OFFICER (5).....	67	13,335	893	37	14,310	529	32	15,257	488
WARRANT OFFICER (4).....	223	11,520	2,569	135	12,415	1,676	117	13,237	1,549
WARRANT OFFICER (3).....	587	10,557	6,197	287	11,392	3,270	247	12,146	3,000
WARRANT OFFICER (2).....	1,035	9,402	9,731	634	10,079	6,390	552	10,746	5,932
WARRANT OFFICER (1).....	783	6,675	5,227	450	7,186	3,234	390	7,662	2,988
WARRANT OFFICER SUBTOTAL...	2,695		\$ 24,617	1,543		\$ 15,099	1,338		\$ 13,957
TOTAL BAH									
WITHOUT DEPENDENTS.....	33,961		\$ 366,477	19,112		\$ 223,603	16,497		\$ 206,151

OFFICER BASIC ALLOWANCE FOR HOUSING - DOMESTIC  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 2003			ESTIMATE FY 2004			ESTIMATE FY 2005		
	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT
BAH PARTIAL ALLOWANCE									
BACHELOR									
GENERAL.....	0	0	\$ 0	0	0	\$ 0	0	0	\$ 0
COLONEL.....	12	475	6	13	475	6	11	475	5
LIEUTENANT COLONEL.....	29	396	11	32	396	13	26	396	10
MAJOR.....	93	320	30	94	320	30	75	320	24
CAPTAIN.....	483	266	128	522	266	139	416	266	111
1ST LIEUTENANT.....	397	212	84	353	212	75	303	212	64
2ND LIEUTENANT.....	1,628	158	257	1,636	158	258	1,166	158	184
OFFICER SUBTOTAL.....	2,642		\$ 516	2,650		\$ 521	1,997		\$ 398
WARRANT OFFICER (5).....	1	302	0	1	302	0	1	302	0
WARRANT OFFICER (4).....	5	302	2	5	302	2	4	302	1
WARRANT OFFICER (3).....	23	248	6	20	248	5	16	248	4
WARRANT OFFICER (2).....	51	191	10	57	191	11	45	191	9
WARRANT OFFICER (1).....	55	166	9	57	166	9	45	166	7
WARRANT OFFICER SUBTOTAL...	135		\$ 27	140		\$ 27	111		\$ 21
TOTAL BAH PARTIAL ALLOWANCE BACHELOR.....	2,777		\$ 543	2,790		\$ 548	2,108		\$ 419
BAH INADEQUATE FAMILY HOUSING									
GENERAL.....	0	0	\$ 0	0	0	\$ 0	0	0	\$ 0
COLONEL.....	0	5,290	0	0	5,671	0	0	6,046	0
LIEUTENANT COLONEL.....	0	4,934	0	0	5,292	0	0	5,642	0
MAJOR.....	0	4,119	0	0	4,414	0	0	4,706	0
CAPTAIN.....	0	3,329	0	0	3,571	0	0	3,807	0
1ST LIEUTENANT.....	0	2,822	0	0	3,034	0	0	3,235	0
2ND LIEUTENANT.....	0	2,685	0	0	2,895	0	0	3,087	0
OFFICER SUBTOTAL.....	0		\$ 0	0		\$ 0	0		\$ 0
WARRANT OFFICER (5).....	0	3,603	0	0	3,874	0	0	4,131	0
WARRANT OFFICER (4).....	0	3,227	0	0	3,461	0	0	3,690	0
WARRANT OFFICER (3).....	0	3,155	0	0	3,401	0	0	3,626	0
WARRANT OFFICER (2).....	0	2,957	0	0	3,183	0	0	3,393	0
WARRANT OFFICER (1).....	0	2,523	0	0	2,750	0	0	2,932	0
WARRANT OFFICER SUBTOTAL...	0		\$ 0	0		\$ 0	0		\$ 0
TOTAL BAH INADEQUATE FAMILY HOUSING.....	0		\$ 0	0		\$ 0	0		\$ 0
TOTAL BASIC ALLOWANCE FOR HOUSING - DOMESTIC.....	101,027		1,307,122	54,221		\$ 725,079	62,223		\$ 934,708

OFFICER BASIC ALLOWANCE FOR HOUSING - OVERSEAS  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 2003			ESTIMATE FY 2004			ESTIMATE FY 2005		
	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT
BAH WITH DEPENDENTS									
GENERAL.....	0	0	\$ 0	0	0	\$ 0	0	0	\$ 0
COLONEL.....	163	22,230	3,623	145	20,054	2,908	116	20,054	2,326
LIEUTENANT COLONEL.....	595	19,712	11,729	545	17,783	9,692	439	17,783	7,807
MAJOR.....	946	19,252	18,212	796	17,368	13,825	636	17,368	11,046
CAPTAIN.....	1,069	15,495	16,564	964	13,978	13,475	769	13,978	10,749
1ST LIEUTENANT.....	299	12,953	3,873	222	11,685	2,594	190	11,685	2,220
2ND LIEUTENANT.....	99	15,571	1,542	83	14,047	1,166	59	14,047	829
OFFICER SUBTOTAL.....	3,171		\$ 55,543	2,755		\$ 43,660	2,209		\$ 34,977
WARRANT OFFICER (5).....	28	17,157	480	23	15,478	356	19	15,478	294
WARRANT OFFICER (4).....	104	15,765	1,640	95	14,222	1,351	76	14,222	1,081
WARRANT OFFICER (3).....	217	16,003	3,473	160	14,437	2,310	127	14,437	1,833
WARRANT OFFICER (2).....	291	14,199	4,132	269	12,809	3,446	216	12,809	2,767
WARRANT OFFICER (1).....	62	15,662	971	54	14,129	763	43	14,129	608
WARRANT OFFICER SUBTOTAL...	702		\$ 10,696	601		\$ 8,226	481		\$ 6,583
TOTAL BAH WITH DEPENDENTS.....	3,873		\$ 66,239	3,356		\$ 51,886	2,690		\$ 41,560
BAH WITHOUT DEPENDENTS									
GENERAL.....	0	0	\$ 0	0	0	\$ 0	0	0	\$ 0
COLONEL.....	38	20,345	773	35	18,340	642	28	18,340	514
LIEUTENANT COLONEL.....	188	19,815	3,725	177	17,862	3,162	142	17,862	2,536
MAJOR.....	435	18,454	8,027	374	16,635	6,221	299	16,635	4,974
CAPTAIN.....	1,578	16,162	25,504	1,454	14,569	21,183	1,157	14,569	16,856
1ST LIEUTENANT.....	1,071	14,836	15,889	812	13,374	10,860	695	13,374	9,295
2ND LIEUTENANT.....	497	15,153	7,531	427	13,659	5,832	304	13,659	4,152
OFFICER SUBTOTAL.....	3,807		\$ 61,449	3,279		\$ 47,900	2,625		\$ 38,327
WARRANT OFFICER (5).....	11	15,420	170	9	13,900	125	7	13,900	97
WARRANT OFFICER (4).....	38	15,750	599	36	14,198	511	29	14,198	412
WARRANT OFFICER (3).....	148	14,992	2,219	112	13,514	1,514	89	13,514	1,203
WARRANT OFFICER (2).....	245	14,101	3,455	231	12,711	2,936	186	12,711	2,364
WARRANT OFFICER (1).....	53	15,535	823	46	14,004	644	37	14,004	518
WARRANT OFFICER SUBTOTAL...	495		\$ 7,266	434		\$ 5,730	348		\$ 4,594
TOTAL BAH WITHOUT DEPENDENTS.....	4,302		\$ 68,715	3,713		\$ 53,630	2,973		\$ 42,921
TOTAL BASIC ALLOWANCE FOR HOUSING - OVERSEAS.....	8,175		\$ 134,954	7,069		\$ 105,516	5,663		\$ 84,481
TOTAL OFFICER BASIC ALLOWANCE FOR HOUSING.....	109,202		1,442,076	61,290		\$ 830,595	67,886		1,019,189



(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE	FY 2005	\$ 173,278
ESTIMATE	FY 2004	\$ 209,388
ACTUAL	FY 2003	\$ 173,185

**Project: Basic Allowance for Subsistence - Officers**

**Part I - Purpose and Scope**

The funds requested will provide for subsistence allowance authorized by 37 U.S.C. 402 and P.L. 96-343. All officers, regardless of dependency status and pay grade, are paid a monthly basic allowance for subsistence at the same rate.

**Part II - Justification of Funds Requested**

Subsistence allowance costs are obtained by multiplying the projected average number eligible for the allowance by the annual statutory rate. The estimates reflect an increase of 3.0% based on the USDA food plan index.

The net change in the basic allowance for subsistence is +\$5.0 million from FY 2004 to FY 2005. This change is based on-

- (1) USDA food cost index growth increase: +\$6.2 million.
- (2) Force manning changes: -\$1.2 million.

Detailed cost computations are provided by the following table:

OFFICER BASIC ALLOWANCE FOR SUBSISTENCE  
(AMOUNT IN THOUSANDS OF DOLLARS)

	ACTUAL FY 2003			ESTIMATE FY 2004			ESTIMATE FY 2005		
	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT
BASIC ALLOWANCE FOR SUBSISTENCE....	93,462	\$ 1,853	\$ 173,185	99,851	\$ 2,097	\$ 209,388	79,668	\$ 2,175	\$ 173,278

(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE FY 2005	\$ 61,608
ESTIMATE FY 2004	\$ 56,256
ACTUAL FY 2003	\$ 111,092

**Project: Station Allowance Overseas - Officers**

**Part I - Purpose and Scope**

The funds requested will provide payment of a per diem allowance to officers on duty outside the United States considering all elements of the cost of living, including quarters, subsistence, and other necessary incidental expenses as prescribed by joint travel regulations and authorized under provisions of 37 U.S.C. 405.

**Part II - Justification of Funds Requested**

The total Overseas Station Allowance includes Cost of Living and Temporary Lodging Allowances. Overseas station allowance (OSA) payments are determined by multiplying the projected number of personnel eligible for each type of allowance by an estimated average rate.

Fluctuations in currency exchange rates have a direct impact on overseas station allowances. This is especially true in the case of Germany. The overseas station allowances are based on an exchange rate of 1.0314 Euro/\$1 US Dollar.

Detailed cost computations are provided by the following table:

OFFICER OVERSEAS STATION ALLOWANCE  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 2003			ESTIMATE FY 2004			ESTIMATE FY 2005		
	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT
COST OF LIVING									
GENERAL.....	51	\$ 9,804	\$ 500	35	\$ 6,571	\$ 230	35	\$ 7,286	\$ 255
COL.....	622	9,610	5,977	398	6,719	2,674	403	7,446	3,001
LTC.....	1,649	9,036	14,900	1,070	6,236	6,673	1,085	6,911	7,498
MAJ.....	2,690	7,884	21,208	1,799	5,280	9,499	1,823	5,851	10,666
CPT.....	4,556	5,979	27,240	3,085	3,957	12,207	3,125	4,385	13,703
2ND LIEUTENANT.....	2,033	4,794	9,746	1,333	3,273	4,363	1,351	3,627	4,900
1ST LIEUTENANT.....	1,049	4,091	4,291	851	2,258	1,922	862	2,502	2,157
CW5.....	26	17,067	444	19	10,534	200	19	11,673	222
CW4.....	309	7,066	2,183	219	4,543	995	222	4,954	1,100
CW3.....	801	6,485	5,194	559	4,200	2,348	567	4,613	2,616
CW2.....	1,226	5,590	6,853	862	3,595	3,099	872	3,947	3,442
WO1.....	238	5,126	1,220	196	2,807	550	200	3,087	617
SUBTOTAL.....	15,250		\$ 99,756	10,426		\$ 44,760	10,564		\$ 50,177
TEMPORARY LODGING ALLOWANCE....	6,676	\$ 1,698	\$ 11,336	6,684	\$ 1,720	\$ 11,496	6,562	\$ 1,742	\$ 11,431
TOTAL OFFICER STATION ALLOWANCE OVERSEAS..	21,926		\$ 111,092	17,110		\$ 56,256	17,126		\$ 61,608

(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE FY 2005	\$ 2,956
ESTIMATE FY 2004	\$ 3,598
ACTUAL FY 2003	\$ 3,825

**Project: CONUS Cost of Living Allowance - Officers**

**Part I - Purpose and Scope**

The funds requested will provide payment of a cost of living allowance (COLA) to soldiers who are assigned to high cost areas in the continental United States (CONUS). A high cost area is defined as a locality where the cost of living exceeds the average cost of living in CONUS by an established threshold percentage during a base period. The threshold percentage is established by the Secretary of Defense but cannot be less than eight percent. The current established threshold is 108 percent of the national cost of living average. The amount of COLA payable is the product of spendable income (based on regular military compensation level) times the difference between the COLA index for the individual's high cost area and the threshold percentage. The FY 1995 DOD Authorization Act authorized this allowance.

**Part II - Justification of Funds Requested**

CONUS COLA payments are determined by multiplying the projected number of personnel eligible by an estimated average rate.

Detailed cost computations are provided by the following table:

OFFICER CONUS COST OF LIVING ALLOWANCE  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 2003			ESTIMATE FY 2004			ESTIMATE FY 2005		
	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT
CONUS COLA.....	2,609	\$ 1,466	\$ 3,825	2,119	\$ 1,698	\$ 3,598	1,009	\$ 2,930	\$ 2,956

(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE	FY 2005	\$ 5,040
ESTIMATE	FY 2004	\$ 6,261
ACTUAL	FY 2003	\$ 9,271

**Project: Clothing Allowances - Officers**

**Part I - Purpose and Scope**

The requested funds will provide for the initial payment and supplemental allowance for purchases of required uniforms under provisions of 37 U.S.C. 415 and 416. Also included are funds for civilian clothing allowance for officers assigned to a permanent duty station outside the United States who are required to wear civilian clothing in the performance of official duty in accordance with 37 U.S.C. 419.

**Part II - Justification of Funds Requested**

The estimated number of payments is based on the projected gains into the Army and the anticipated overseas requirements where individuals are required to wear civilian clothing in the performance of official duty. Allowances for uniform and clothing purchases are developed by multiplying the projected number eligible for each type of allowance by the applicable rate.

Detailed cost computations are provided by the following table:

OFFICER CLOTHING ALLOWANCES  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 2003			ESTIMATE FY 2004			ESTIMATE FY 2005		
	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT
UNIFORM ALLOWANCES									
INITIAL.....	10,534	\$ 400	\$ 4,214	7,508	\$ 400	\$ 3,003	7,155	\$ 400	\$ 2,862
ADDITIONAL.....	19,286	200	3,857	12,608	200	2,522	7,135	200	1,427
SUBTOTAL.....	29,820		8,071	20,116		5,525	14,290		4,289
CIVILIAN CLOTHING									
WINTER AND SUMMER.....	1,456	\$ 824	\$ 1,200	881	\$ 835	\$ 736	881	\$ 853	\$ 751
TOTAL OFFICER CLOTHING ALLOWANCES.....	31,276		9,271	20,997		6,261	15,171		5,040



(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE	FY 2005	\$ 9,300
ESTIMATE	FY 2004	\$ 13,701
ACTUAL	FY 2003	\$ 63,282

**Project: Family Separation Allowances - Officers**

**Part I - Purpose and Scope**

The funds are to provide family separation payments to officers with dependents on duty outside the U.S. or in Alaska for added separation expenses under two circumstances:

(1) Travel of dependents to overseas duty station is not authorized and the member maintains two homes, one in CONUS for his family and one overseas for himself. Payment is made at the monthly quarters allowance rate authorized for a member of the same grade without dependents.

(2) When a member with dependents makes a permanent change of station, is on temporary duty travel, or on board ship for 30 days or more either in CONUS or overseas and the travel of dependents to his duty station is not authorized and dependents do not reside at or near the duty station.

**Part II - Justification of Funds Requested**

The estimated number of payments is based on execution data projected into the future and modified to reflect anticipated overseas stationing requirements. Allowances for family separation are determined by multiplying the estimated number of personnel eligible for each type of family separation allowance by the statutory rate applicable.

Detailed cost computations are provided by the following table:

OFFICER FAMILY SEPARATION ALLOWANCE  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 2003			ESTIMATE FY 2004			ESTIMATE FY 2005		
	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT
PCS OVERSEAS WITH DEPENDENTS NOT AUTHORIZED AND MAINTAINS TWO HOMES									
COL.....	8	\$ 11,126	\$ 89	6	\$ 11,492	\$ 69	5	\$ 11,837	\$ 59
LTC.....	60	10,713	643	47	11,065	520	40	11,397	456
MAJ.....	124	9,925	1,231	97	10,252	994	83	10,559	876
CPT.....	181	8,061	1,459	140	8,303	1,162	121	8,552	1,035
1LT.....	41	6,577	270	32	6,774	217	27	6,978	188
2LT.....	29	5,681	165	23	5,851	135	20	6,027	121
CW5.....	5	10,874	54	4	11,492	46	3	11,837	36
CW4.....	23	10,287	237	18	11,065	199	15	11,397	171
CW3.....	67	9,345	626	52	10,252	533	44	10,559	465
CW2.....	74	6,622	490	58	6,821	396	50	7,025	351
WO1.....	24	5,551	133	19	5,718	109	16	5,889	94
SUBTOTAL.....	636		5,397	496		4,380	424		3,852
PCS CONUS OR OVERSEAS WITH DEPENDENTS NOT AUTHORIZED.....	1,916	3,000	5,748	1,979	3,000	5,937	2,014	1,650	3,323
TDY CONUS OR OVERSEAS FOR MORE THAN 30 DAYS WITH DEPENDENTS NOT RESIDING NEAR TDY STATION.....	17,379	3,000	52,137	1,128	3,000	3,384	1,288	1,650	2,125
TOTAL OFFICER FAMILY SEPARATION ALLOWANCES.....	19,931		\$ 63,282	3,603		\$ 13,701	3,726		\$ 9,300

(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE FY 2005	\$ 73,427
ESTIMATE FY 2004	\$ 73,658
ACTUAL FY 2003	\$ 83,329

**Project: Separation Payments - Officers**

**Part I - Purpose and Scope**

Severance Pay - payment of non-disability separation pay is authorized to retirement ineligible regular commissioned officers, warrant officers, and members of the reserve component who are involuntarily released from active duty after having completed at least 5 years of active duty. Payment of disability severance pay is authorized to members on active duty who are discharged because of physical disability and who have less than 20 years service and less than 30 percent disability.

The FY 1992 National Defense Authorization Act approved two voluntary separation pay programs to use during the force drawdown. The programs apply to both officers and enlisted soldiers who have more than six and less than 20 years of service. The first, voluntary separation incentive (VSI), is an annuity that makes annual payments for twice the number of years served for soldiers who voluntarily leave active duty. The second program, special separation benefit (SSB), provides a lump sum of one and a half times involuntary separation pay (50% more) for soldiers who voluntarily leave active duty. VSI and SSB have been used to reduce involuntary separations. The authority to use VSI/SSB was extended from 30 Sep 1990 to 30 Sep 2001 by the FY 1999 National Defense Authorization Act. However, the Army reached its steady state end strength at the end of FY 1999 and has not offered VSI and SSB to any new takers since the end of FY 1999. Congress has extended this authority since 31 December 2001.

The FY 1993 National Defense Authorization Act approved an active duty early retirement program for use during the force drawdown. The early retirement program has been used to shape the 15-20 year segment of the force. It has assisted the Army in achieving its drawdown goals of maintaining readiness and treating people fairly. Soldiers separated under the early retirement program receive the same benefits as individuals with 20 or more years of service. However, their retired pay is reduced by one percent for each year that they are short of 20 years of active duty. The early retirement amount is the product of 2.5 percent times years of service times basic pay times reduction factor. For the officers who leave under the early retirement program, the Army is required to establish a subaccount within the Military Personnel Appropriation to fund all early retirement payments up front in the Military Personnel Appropriation to cover the entire initial period, which is defined as that period equal to the difference between 20 years and the number of years completed by the member. The authority to use the early retirement program was extended from 1 Oct 1999 to 1 Oct 2001 by the FY 1999 National Defense Authorization Act. However, the Army reached its steady state end strength at the end of FY 1999 and has not offered early retirement to any new takers since the end of FY 1999.

Accrued Leave Payments - members are authorized 30 days of ordinary leave annually. They may have accumulated a maximum of no more than 60 days unused leave at the beginning of any fiscal year. Upon retirement or separation, members are paid for unused accrued leave at the rate of basic pay to which entitled at time of release. Effective 10 Feb 1976, a member cannot be paid for more than 60 days of accrued leave during his military career. This limitation does not include payments for accrued leave made before that date.

## **Part II - Justification of Funds Requested**

Separation payments are determined by multiplying the projected number eligible for each type of payment by the estimated average payment applicable. Accumulated leave payments are made based upon leave accrued as of 1 Sep 1976. For leave accumulated prior to 1 Sep 1976 and retained throughout the career, payments include basic pay, basic allowance for subsistence, and basic allowance for quarters. For leave accumulated after 1 Sep 1976, to include the lowering of leave balances prior to 1 Sep 1976, the rate payable is basic pay only. Leave payments will not exceed the career total of 60 days. Severance pay for promotion passover, for separation for cause, and for disability severance pay is 10 percent of the product of (a) years of active service and (b) 12 times the monthly basic pay to which the member was entitled at the time of discharge or release from active duty. The SSB amount is based on annual base pay times 15 percent times years of service. The VSI (annuity) is a product of annual base pay times 2.5 percent times years of service and is paid for twice the number of years served, without any cost of living adjustments. The National Defense Authorization Acts for FY 1992 and FY 1993 required the establishment of a VSI fund effective 1 Jan 1993 from which VSI payments will be made. The Act further required the DOD Board of Actuaries to determine: (1) the amount necessary to liquidate the original unfunded liability, i.e., those personnel accepting VSI benefits prior to 1 Jan 1993 and (2) the total present value costs necessary to fund those members accepting VSI benefits after 1 Jan 1993.

The FY 2000 Defense Authorization Act provides for a system that will give the soldier the option to retire under the pre-1986 military retirement system or accept a one-time \$30,000 lump sum bonus and remain under the Redux retirement plan. The lump sum bonus has been paid directly from the Military Personnel appropriation since FY 2001.

Detailed cost computations are provided by the following table:

OFFICER SEPARATION PAYMENTS  
(AMOUNT IN THOUSANDS OF DOLLARS)

	ACTUAL FY 2003				ESTIMATE FY 2004				ESTIMATE FY 2005			
	NUMBER	AVG DAYS	RATE	AMOUNT	NUMBER	AVG DAYS	RATE	AMOUNT	NUMBER	AVG DAYS	RATE	AMOUNT
LUMP SUM TERMINAL LEAVE PAYMENTS												
GENERAL.....	56	54.8	\$ 20,625	\$ 1,155	48	53.8	\$ 20,438	\$ 981	48	53.3	\$ 20,750	\$ 996
COLONEL.....	619	37.8	10,296	6,373	554	37.8	10,701	5,929	551	37.8	11,096	6,114
LIEUTENANT COLONEL.....	871	25.5	5,370	4,677	913	25.5	5,578	5,093	909	25.5	5,780	5,254
MAJOR.....	2,005	21.6	3,788	7,595	1,778	21.6	3,944	7,012	852	21.6	4,089	3,484
CAPTAIN.....	1,492	18.1	2,501	3,731	2,046	18.1	2,596	5,311	2,037	18.1	2,685	5,469
1ST LIEUTENANT.....	289	13.9	1,465	423	528	13.9	1,517	801	525	13.9	1,568	823
2ND LIEUTENANT.....	111	15.3	1,234	137	94	15.3	1,273	120	93	15.3	1,310	122
WARRANT OFFICER(5).....	62	34.6	6,940	430	64	34.6	7,199	461	63	34.6	7,448	469
WARRANT OFFICER(4).....	156	21.5	3,492	545	174	21.5	3,668	638	173	21.5	3,801	658
WARRANT OFFICER(3).....	187	17.7	2,344	438	241	17.7	2,477	597	240	17.7	2,587	621
WARRANT OFFICER(2).....	165	21.5	2,332	385	275	21.5	2,431	669	274	21.5	2,509	688
WARRANT OFFICER(1).....	105	11.9	1,089	114	50	11.9	1,140	57	50	11.9	1,181	59
SUBTOTAL.....	6,118			\$ 26,003	6,765			\$ 27,669	5,815			\$ 24,757
SEVERANCE PAY (DISABILITY).....	181		\$ 43,911	\$ 7,948	144		\$ 45,731	\$ 6,585	140		\$ 47,383	\$ 6,634
SEVERANCE PAY (NON-PROMOTION).....	15		66,667	1,000	0		69,429	0	0		71,939	0
INVOLUNTARY HALF-PAY(5%).....	10		17,200	172	9		17,913	161	6		18,560	111
INVOLUNTARY FULL-PAY(10%).....	333		60,655	20,198	247		63,168	15,603	232		65,451	15,185
SPECIAL SEPARATION BENEFIT(15%).....	0		0	0	0		0	0	0		0	0
15 YEAR RETIREMENT.....	0		0	0	0		0	0	0		0	0
SUBTOTAL SEPARATION PAY (NON-DISABILITY).....	343			\$ 20,370	256			\$ 15,764	238			\$ 15,296
VOLUNTARY SEPARATION INCENTIVE (DIRECT MILPERS PAYMENTS) 1).....	0			\$ 27,008	0			\$ 18,540	0			\$ 21,640
THRU DEC 31, 1992.....				27,008				18,540				21,640
JAN 1, 1993 AND AFTER.....	0			0	0			0	0			0
\$30,000 LUMP SUM BONUS.....				\$ 1,000				\$ 5,100				\$ 5,100
TOTAL OFFICER SEPARATION PAY.....	6,657			\$ 83,329	7,165			\$ 73,658	6,193			\$ 73,427

1) VSI recipients after 31 Dec 92 - Payments are made from the Military Personnel, Army Appropriation to the VSI Trust Fund.

(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE	FY 2005	\$ 0
ESTIMATE	FY 2004	\$ 0
ACTUAL	FY 2003	\$ 2,000

**Project: Special Compensation for Combat Related Disabled**

**Part I - Purpose and Scope**

Section 658 of the FY 2003 National Defense Authorization Act (NDAA), (10 USC Section 1413a) authorizes special compensation for uniformed services retirees who completed at least 20 years of service creditable for computing the amount of retired pay to which the member is entitled, and who incurred a qualifying combat-related disability. A combat related disability is:

- 1) Any disability rated 10 percent of higher attributable to an injury for which the member was awarded the Purple Heart; or
- 2) a service-connected disability rated at 60 percent or higher as a direct result of armed conflict, while engaged in hazardous service, in the performance of duty under conditions simulating war, or through the instrumentality of war.

**Part II - Justification of Funds Requested**

The amount of the special compensation would be equal to the amount of veteran's disability compensation to which the retiree would be entitled based solely for the combat-related disability without regard to section 5304 and 5305 of title 38, United States Code. This provision is effective no later than 180 days after enactment (start of entitlement June 1 2003 - payable July 1, 2003).

The following table shows the amounts to be included in the FY 2004/FY 2005 budget submission:

OFFICER SPECIAL COMPENSATION FOR COMBAT RELATED DISABLED  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 2003 AMOUNT	ESTIMATE FY 2004 AMOUNT	ESTIMATE FY 2005 AMOUNT
SPECIAL COMPENSATION FOR COMBAT RELATED DISABLED.....	\$ 2,000	\$ 0	\$ 0



(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE	FY 2005	\$ 344,712
ESTIMATE	FY 2004	\$ 414,175
ACTUAL	FY 2003	\$ 382,219

**Project: Social Security Tax - Employer's Obligation - Officers**

**Part I - Purpose and Scope**

The funds requested provide for the employer's tax to the Social Security Administration as required by the Federal Insurance Contribution Act (FICA).

**Part II - Justification of Funds Requested**

The FICA tax is developed by multiplying the total earnings for FICA tax purposes by the applicable percent. The old age, survivor, and disability insurance (OASDI) rate is 6.2% and the hospital insurance (HI) rate is 1.45%. The maximum amounts of earnings per individual on which tax is payable are:

Calendar Year	OASDI Base	Medicare Base
2003	\$87,000	No upper limit
2004	\$87,900	No upper limit
2005	\$89,700	No upper limit

In past years, MPA paid a wage credit for service members to take into account "non-wage" compensation such as housing and subsistence. The wage credit payments were discontinued after FY 1999. The Army paid a supplement (about \$100 per person per month) to the Health and Human Services to replace the lost survivor or disability benefit that would have accrued under wage credit transfers for FY 2000 and FY 2001. The FY 2003 Budget Submission eliminated the supplement.

Detailed cost computations are provided by the following table:

OFFICER SOCIAL SECURITY TAX  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 2003			ESTIMATE FY 2004			ESTIMATE FY 2005		
	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT
SOCIAL SECURITY TAX - EMPLOYER'S CONTRIBUTION OF TAX ON BASIC PAY.....	93,462	\$ 4,089.57	\$ 382,219	99,851	\$ 4,147.93	\$ 414,175	79,668	\$ 4,326.86	\$ 344,712
WAGE CREDITS/SURVIVOR OR DISABILITY BENEFIT.....			\$ 0			\$ 0			\$ 0
TOTAL OFFICER SOCIAL SECURITY TAX.....	93,462		\$ 382,219	99,851		\$ 414,175	79,668		\$ 344,712

Schedule of Increases and Decreases  
(Amounts in thousands of dollars)

Pay and Allowance of Enlisted Personnel

FY 2004 Direct Program \$ 27,325,617

Increases:

Pricing Increases:

a. Reflects the annualization of the FY 2004 4.1% pay raise and optional targeted pay raise, and the FY 2005 3.5% pay raise, effective 1 Jan 2004.	499,656
b. Basic Allowance for Housing Rate Adjustment supporting DOD goal to reduce soldiers out of pocket housing costs to 0% in FY05. Also includes a housing cost growth of 3.0%.	135,545
c. Change in foreign currency valuation.	8,749
d. Reflects inflation changes in Temporary Lodging Allowance and Enlisted Clothing Allowance cost growth	8,696
e. Changes in the Normal Cost Percentage from 27.1% in FY 2004 to 27.5% in FY 2005.	38,929
f. Change in the Defense Health Program rate from FY 2004 to FY 2005.	321,708
Total Pricing Increases	1,013,283

Program Increases:

a. Reflects BAH housing inventory payments related to the Residential Communities Initiative and other housing changes.	342,850
b. Increased numbers of personnel participating in the Loan Repayment Program related to the Army recruitment effort	1,068
c. Increased number of personnel receiving Selective Reenlistment bonuses.	2,170
d. Decrease in reimburseable program resulting in a increase in the direct program.	7,249
Total Program Increases	353,337

Total Increases

\$ 1,366,620

Decreases:

Pricing Decreases:

Total Pricing Decreases 0

Program Decreases:

a. Force Manning Changes	0
b. Decreased numbers of personnel receiving recruiting payments related to Education Benefits.	-12,188
c. Decreased numbers of personnel receiving Selective Reenlistment Bonus payments related to the Army retention effort.	-8,266
d. Decreased numbers projected to participate in the Defense Health Program	-255,817
e. Termination of Combat Related Disability payments through the Army.	-151,000

f. Overseas Stationing	-290,591
g. Reduction in FICA and RPA	-1,319,395
h. Reduction in personnel from due to no GWOT personnel funded	-4,889,850
i. Reduction in personnel receiving Special, Incentive, and FSA, CONUS COLA, Clothing Allowance, Separation Pay, Overseas Station Allowance	-2,664,745
j. Force Manning Changes	-6,550
Total Program Decreases	-9,598,402

Total Decreases

\$ -9,598,402

FY 2005 Direct Program

\$ 19,093,835

(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE FY 2005	\$ 9,914,330
ESTIMATE FY 2004	\$ 14,447,215
ACTUAL FY 2003	\$ 11,727,978

**Project: Basic Pay - Enlisted**

**Part I - Purpose and Scope**

The funds requested provide for the basic compensation and length of service pay increments of enlisted personnel on active duty under provisions of 37 U.S.C. 201, 203, 205, and 1009. Also included is the compensation of enlisted personnel of the reserve components, who have entered active duty as members of the active component of the Army.

**Part II - Justification of Funds Requested**

The basic compensation is determined by multiplying the projected average number of personnel by grade by the estimated average annual compensation. The rates reflect actual execution, which is adjusted in subsequent years by pay raise and estimated average years of service. In addition to rate changes, manyear program changes contribute to the full cost of the basic pay.

Detailed cost computations are provided by the following table:

ENLISTED BASIC PAY  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 2003			ESTIMATE FY 2004			ESTIMATE FY 2005		
	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT
SERGEANT MAJOR.....	3,779	\$ 55,282	\$ 208,911	4,353	\$ 64,623	\$ 281,304	3,253	\$ 58,450	\$ 190,138
1ST SGT/MASTER SGT.....	12,906	44,312	571,891	14,205	51,457	730,947	10,506	46,402	487,499
PLATOON SGT/SGT 1ST CLASS	44,022	37,754	1,662,007	48,465	43,923	2,128,728	36,833	39,817	1,466,580
STAFF SERGEANT.....	77,232	30,746	2,374,575	73,514	35,537	2,612,467	56,132	32,057	1,799,424
SERGEANT.....	87,098	24,912	2,169,785	94,363	28,865	2,723,788	72,669	26,141	1,899,640
CORPORAL/SPECIALIST.....	133,785	20,161	2,697,239	151,949	23,164	3,519,747	111,901	20,926	2,341,640
PRIVATE FIRST CLASS.....	72,597	16,527	1,199,811	69,263	18,939	1,311,772	52,940	17,065	903,421
PRIVATE E2.....	38,142	14,926	569,307	44,241	17,273	764,175	35,576	15,718	559,184
PRIVATE E1.....	23,038	11,913	274,452	27,511	13,605	374,287	21,837	12,218	266,804
TOTAL ENLSITED BASIC PAY..	492,599		\$ 11,727,978	527,864		\$ 14,447,215	401,647		\$ 9,914,330

(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE	FY 2005	\$ 2,726,441
ESTIMATE	FY 2004	\$ 3,915,195
ACTUAL	FY 2003	\$ 3,213,466

**Project: Retired Pay Accrual - Enlisted**

**Part I - Purpose and Scope**

The funds requested provide for the Department of Defense's contribution to its Military Retirement Fund, in accordance with 10 U.S.C. 1466.

**Part II - Justification of Funds Requested**

The budget estimates are derived as a product of:

(a) The DOD Actuary-approved full-time normal cost percentage (NCP) of basic pay, i.e., 27.1 percent for FY 2004, and 27.5 percent for FY 2005.

(b) The total amount of the basic pay expected to be paid during the fiscal year to members of the Active Army.

Detailed cost computations are provided by the following table:

ENLISTED RETIRED PAY ACCRUAL  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 2003			ESTIMATE FY 2004			ESTIMATE FY 2005		
	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT
RPA.....	492,599	\$ 6,523.49	\$ 3,213,466	527,864	\$ 7,417.05	\$ 3,915,195	401,647	\$ 6,788.15	\$ 2,726,441



(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE FY 2005	\$ 2,175,161
ESTIMATE FY 2004	\$ 1,881,268
ACTUAL FY 2003	\$ 1,766,353

**Project: Health Care Accrual - Enlisted**

**Part I - Purpose and Scope**

The funds will be used to pay the health care accrual amount into the Department of Defense Medicare-eligible Retiree Health Care Fund for the future Medicare-eligible health care costs for current military personnel in accordance with the FY 2001 National Defense Authorization Act (Public Law 106-398).

**Part II - Justification of Funds Requested**

The budgetary estimates are derived as a product of the approved actuarial rate and the average strength. The estimate for over-65 retirees increases from FY 2004 to FY 2005 by +\$318.8 million.

Detailed cost computations are provided by the following table:

ENLISTED HEALTH CARE ACCRUAL  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 2003 AMOUNT	ESTIMATE FY 2004 AMOUNT	ESTIMATE FY 2005 AMOUNT
HEALTH CARE ACCRUAL.....	\$ 1,766,353	\$ 1,881,268	\$ 2,175,161

(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE	FY 2005	\$ 72,293
ESTIMATE	FY 2004	\$ 99,981
ACTUAL	FY 2003	\$ 77,529

**Project: Incentive Pay for Hazardous Duty - Enlisted**

**Part I - Purpose and Scope**

The funds requested will provide for pay to enlisted personnel under provisions of 37 U.S.C. 301 for these types of duty:

Crew Member - assigned to a position which requires at least four hours of aerial flight each month. The duties are essential to the operation of aircraft in-flight, or the duties are required to complete specific missions of the aircraft. The members perform duties as crew chiefs, medical airmen, firefighter crash rescue specialists, airborne electronic system operators, and air observers.

Non-Crew Member - assigned to a position which requires at least four hours of aerial flight each month. The duties are directly related to in-flight missions of the aircraft and crew members cannot perform the duties. The members perform duties as aircraft maintenance personnel, aerial photographers, helicopter weapons systems repairmen, and medical personnel.

Parachute - assigned to a permanent parachute position or airborne unit which requires parachute jumping as an essential part of military duty, or while undergoing airborne type training, or performing short-term parachute duty. Continuous payment of hazardous duty pay for parachute duty requires at least one parachute jump every three months. Pay for periods of short-term parachute duty is prorated based on the duration of the period such duty is required.

High Altitude Low Opening Jump Pay (HALO) - assigned to a permanent military position which requires parachute jumping from at least 2,500 feet with a planned delay between exit and opening as an essential part of military duties, or while undergoing military free-fall type training at the US Army John F. Kennedy Special Warfare School. Soldiers must be graduates of the US Army military free-fall course under the proponency of the Commander, US Army JFK Special Warfare School or undergoing training for such designation. They must also be required by competent orders to engage in military free-fall parachute jumping from an aircraft in aerial flight and perform the specified minimum number of jumps to be entitled to pay. Proficiency requirements will remain the same as static line requirements.

Demolition of Explosives - assigned to a position which requires the member as his primary duty to demolish, by use of objects, obstacles, or explosives; or recover and render harmless, by disarming or demolition, explosives which failed to function as intended or which have become a potential hazard. Demolition pay is limited to those serving in specialty 55D (EOD Specialists).

Experimental Stress - serving as a human test subject in thermal stress experiments at Natick Laboratories; Natick, MA. The tests conducted include development of equipment (mostly clothing) and physiological testing. Also, low pressure, high altitude chamber training is conducted at the US Army Aeromedical Center; Fort Rucker, Alabama.

Toxic Fuel - assigned to a position on a Propellant Draining Kit (PDK) Team that requires handling and maintaining the propellants unsymmetrical dimethol hydrazine and inhibited red-fuming nitric acid used in the Lance missile system.

Toxic Pesticides Exposure - for duty performed while assigned to entomology, pest control, pest management, or preventive medicine functions for a period of 30 consecutive days or more; that requires a member to perform in any calendar month a fumigation task utilizing phosphate, sulfuryl fluoride, hydrogen cyanide, methyl bromide, or a fumigant of comparable high acute toxicity and hazard potential.

Chemical Munitions Handlers - this is a peacetime hazardous duty incentive pay for members of the uniformed services whose primary duties require the routine physical handling of chemical munitions or chemical surety material. Routine physical handling must be incident to manufacturing, maintenance, storage, testing, laboratory analysis, transportation, surveillance, assembly, disassembly, demilitarization, or disposal of chemical munitions or chemical surety material. This incentive pay is not authorized for individuals who handle the individual components of binary munitions, diluted solutions of toxic chemicals, riot control agents, chemical defoliants, herbicides, smoke, flame and incendiaries, or industrial chemicals.

## **Part II - Justification of Funds Requested**

The projected average number of payments is based on the total spaces where each type of pay is authorized to meet force structure requirements. The compensation for hazardous duty incentive pay is computed by multiplying the projected average number of each type by the statutory rate.

Detailed cost computations are provided by the following table:

ENLISTED INCENTIVE PAY FOR HAZARDOUS DUTY  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 2003			ESTIMATE FY 2004			ESTIMATE FY 2005		
	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT
INCENTIVE PAY									
FLYING DUTY CREW MEMBERS									
SERGEANT MAJOR.....	5	\$ 2,880	\$ 14	6	\$ 2,880	\$ 17	3	\$ 2,880	\$ 9
1ST SGT/MASTER SGT.....	69	2,880	199	70	2,880	202	30	2,880	86
PLATOON SGT/SGT 1ST CLASS.....	255	2,880	734	266	2,880	766	199	2,880	573
STAFF SGT.....	651	2,580	1,680	778	2,580	2,007	627	2,580	1,618
SERGEANT.....	1,033	2,280	2,355	1,127	2,280	2,570	771	2,280	1,758
CPL/SPECIALIST.....	1,194	1,980	2,364	1,098	1,980	2,174	921	1,980	1,824
PRIVATE 1ST CLASS.....	138	1,800	248	240	1,800	432	200	1,800	360
PRIVATE E2.....	19	1,800	34	27	1,800	49	3	1,800	5
PRIVATE E1.....	4	1,800	7	11	1,800	20	2	1,800	4
SUBTOTAL.....	3,368		\$ 7,635	3,623		\$ 8,237	2,756		\$ 6,237
FLYING DUTY NON-CREW MEMBERS.....	1,041	1,800	1,874	921	1,800	1,658	530	1,800	954
TOTAL FLYING DUTY PAY.....	4,409		\$ 9,509	4,544		\$ 9,895	3,286		\$ 7,191
OTHER HAZARDOUS DUTY									
EXPERIMENTAL STRESS	66	1,800	119	66	1,800	119	66	1,800	119
TOXIC PESTICIDE	4	1,800	7	4	1,800	7	0	1,800	0
TOXIC FUEL	11	1,800	20	1	1,800	2	51	1,800	92
CHEMICAL MUNITIONS	103	1,800	185	103	1,800	185	80	1,800	144
HALO JUMP	1,027	2,700	2,773	891	2,700	2,406	781	2,700	2,109
SUBTOTAL (OTHER)	1,211		\$ 3,104	1,065		\$ 2,719	978		\$ 2,464
PARACHUTE JUMPING	34,492	1,800	62,086	46,890	1,800	84,402	33,344	1,800	60,019
DEMOLITION DUTY	1,572	1,800	2,830	1,647	1,800	2,965	1,455	1,800	2,619
TOTAL	37,275		\$ 68,020	49,602		\$ 90,086	35,777		\$ 65,102
TOTAL ENLISTED INCENTIVE PAY FOR HAZARDOUS DUTY.....	41,684		\$ 77,529	54,146		\$ 99,981	39,063		\$ 72,293

(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE FY 2005	\$ 68,024
ESTIMATE FY 2004	\$ 978,131
ACTUAL FY 2003	\$ 719,105

**Project: Special Pay - Enlisted**

**Part I - Purpose and Scope**

The funds requested will provide for Special Pay to enlisted personnel while on duty outside the contiguous 48 states and the District of Columbia, or while on sea duty. Special Pay is paid at rates varying from \$8.00-\$22.50 per month. Rates depend on grade, at places designated by the Secretary of Army under the provisions of 37 U.S.C.

Personal Allowance, Sergeant Major of the Army (SMA) - in addition to other pay and allowances authorized, the SMA who is entitled to basic pay is entitled to a personal money allowance of \$2,000 a year while serving in that capacity.

Diving Duty Pay - under regulations prescribed by the Secretary of the Army, an enlisted personnel who is entitled to basic pay is entitled to special pay at a rate of not more than \$200 a month for periods during which they (1) are assigned by orders to the duty of diving, (2) are required to maintain proficiency as a diver by frequent and regular dives, and (3) actually perform diving duty (37 U.S.C 304). Enlisted Dive personnel are assigned to a position in a diving detachment, which supports marine or special operation units. Duties of marine diving detachments include underwater construction (construction of piers and pipelines), harbor clearance, and ship salvage. Special forces (combat) diving operations include infiltration and exfiltration, combat surface swimming, search and recovery, target attack, harassment and interdiction, and reconnaissance operations.

Sea Duty Pay - Army members who are entitled to basic pay are also entitled, while on sea duty, to special pay at rates which vary with grade and years of sea duty. The range of rates for enlisted personnel \$130 to \$410 per month. The term "sea duty" means duty performed by a member (1) while assigned to a ship, and while serving on a ship the primary mission of which is accomplished while underway; or (2) while assigned to a ship, and while serving on a ship the primary mission of which is normally accomplished while in port, but only while the ship is away from its home port for 30 or more consecutive days. Additionally, the member entitled to career sea pay who has served 36 consecutive months of sea duty is entitled to a career sea pay premium of \$100 per month for the 37th month and each consecutive month of sea duty served (37 U.S.C. 305a). Individuals who are affected by career sea pay are generally assigned to either: Fort Eustis, Virginia; Hawaii; Panama; or the Azores.

Foreign Language Proficiency Pay (FLPP) - this pay is authorized under the provisions of 37 U.S.C. 316. FLPP is a monthly monetary incentive that is paid to all military personnel who

qualify for and maintain the required proficiency in designated foreign languages. The monthly rate may not exceed \$300.00 per individual.

Hostile Fire Pay - paid to personnel on duty subject to hostile fire or imminent danger (37 U.S.C. 310). Paid at the rate of \$150 per month.

Hardship Duty Pay - paid to personnel performing duty in an location that is designated by The Secretary of Defense as hardship duty. The monthly rate may not exceed \$300.00 per individual.

Overseas Extension Incentives Pay - special payments paid to enlisted personnel who extend their tour of service overseas under provisions of 37 U.S.C. 314.

## **Part II - Justification of Funds Requested**

The projected average number of payments is based on the total spaces where each type of pay is authorized to meet force structure requirements. Multiplying the projected number eligible for each type of pay by the statutory rate develops the compensation for each type of Special Pay.

Detailed cost computations are provided by the following table:



ENLISTED SPECIAL PAY  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 2003			ESTIMATE FY 2004			ESTIMATE FY 2005		
	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT
PERSONAL MONEY ALLOWANCES -SERGEANT MAJOR OF THE ARMY.....	1	2,000	2	1	2,000	2	1	2,000	2
SEA DUTY PAY.....	588	\$ 1,912	\$ 1,124	523	\$ 2,092	\$ 1,094	341	\$ 1,795	\$ 612
HARDSHIP DUTY PAY.....	166,397	1,150	191,357	254,154	1,487	377,927	22,226	1,487	33,050
FOREIGN LANGUAGE PAY.....	15,219	\$ 913	\$ 13,895	14,558	\$ 965	\$ 14,048	18,967	\$ 965	\$ 18,303
DIVING DUTY PAY.....	1,434	2,448	3,510	722	2,514	1,815	354	2,446	866
HOSTILE FIRE PAY.....	187,125	2,700	505,238	214,543	2,700	579,266	5,537	2,025	11,212
OVERSEAS EXTENSION PAY.....	4,145	960	3,979	4,145	960	3,979	4,145	960	3,979
HIGH-DEPLOYMENT PER DIEM ALLOWANCE.....	0	0	0	0	0	0	0	0	0
TOTAL ENLISTED SPECIAL PAY.....	374,909		\$ 719,105	488,646		\$ 978,131	51,571		\$ 68,024

(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE FY 2005	\$ 79,814
ESTIMATE FY 2004	\$ 109,069
ACTUAL FY 2003	\$ 61,965

**Project: Special Duty Assignment Pay - Enlisted**

**Part I - Purpose and Scope**

The Special Duty Assignment Pay (SDAP) program is authorized under provisions of 37 U.S.C. 307, as amended, by PL-98-525. SDAP is a monthly monetary incentive that is paid to enlisted members who qualify for and serve in designated special duty assignments. The funds are utilized for recruiters, guidance counselors, retention NCO's, drill sergeants, and specially designated personnel who have extremely demanding duties requiring extraordinary effort for satisfactory performance, and/or an unusual level of responsibility.

**Part II - Justification and Funds Requested**

These funds are utilized to ensure readiness by compensating and influencing specially designated soldiers, recruiters, retention NCO's, and drill sergeants who perform demanding duties which require special training and extraordinary effort for satisfactory performance.

Detailed cost computations are provided by the following table:

ENLISTED SPECIAL DUTY ASSIGNMENT PAY  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 2003			ESTIMATE FY 2004			ESTIMATE FY 2005		
	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT
SPECIAL DUTY ASSIGNMENT									
SD 6 (\$375.00).....	8,201	\$ 4,500	\$ 36,905	9,498	\$ 5,400	\$ 51,289	7,954	\$ 5,400	\$ 42,952
SD 5 (\$275.00).....	3,209	3,300	10,590	5,548	4,500	24,966	3,110	4,500	13,995
SD 4 (\$220.00).....	0	2,640	0	7,525	3,600	27,090	6,319	3,600	22,748
SD 3 (\$165.00).....	7,308	1,980	14,470	2,120	2,700	5,724	44	2,700	119
TOTAL ENLISTED SPECIAL DUTY ASSIGNMENT PAY.....	18,718		\$ 61,965	24,691		\$ 109,069	17,427		\$ 79,814

(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE FY 2005	\$ 100,810
ESTIMATE FY 2004	\$ 98,640
ACTUAL FY 2003	\$ 102,620

**Project: Reenlistment Bonus - Enlisted**

**Part I - Purpose and Scope**

The Selective Reenlistment Bonus (SRB) Program is authorized under the provisions of 37 U.S.C. 308. The law states that a member of a uniformed service who has completed at least 21 months of continuous active duty but not more than 14 years of active duty, is qualified in a skill designated as critical, and reenlists for a period of at least three years may be paid a bonus. The bonus will not exceed six months of the base pay multiplied by the additional obligated service (not to exceed six years). The maximum SRB allowed by the Department of Defense is \$60,000 (for not more than 10 percent of bonus recipients). Army policy has set the maximum SRB allowed to be paid at \$20,000.

The purpose of the SRB Program is to increase the number of reenlistments in critical skills characterized by current or projected retention levels insufficient to adequately man the career force. The SRB Program also works as a valuable tool in the force alignment process by helping to draw people from overage skills to shortage skills through the bonus extension and retraining program.

SRB payments are made using the installment method of payment. Fifty percent of the total bonus is paid at the time of reenlistment with the remaining bonus being paid in equal annual installments over the balance of the reenlistment contract period.

## **Part II - Justification of Funds Requested**

The Selective Reenlistment Bonus Program is a key component in MOS/grade cell force alignment initiatives. The focus of the SRB Program is to reenlist sufficient specialists and sergeants to overcome or prevent present and future shortfalls in sergeant and staff sergeant manning. Shortfalls in these grades have a direct negative impact on the combat and operational readiness of Army units.

In addition to critically and moderately short MOS/grade cells, there are specific MOS categories that require exceptional management and the application of reenlistment bonuses. These skills include special operations MOS and skills required to meet various treaty commitments.

The Army has and will continue to focus management initiatives to balance overage and shortage skills through the Force Alignment Plan (FAP). For shortage skills, we continually evaluate the SRB Program and offer bonuses where appropriate. Other adjustments to align the force include: recruiting fully qualified prior service personnel, reclassification of soldiers into shortage skills, and increasing promotion opportunities to soldiers in shortage skills. In overage skills, the Army constrains promotion opportunity, constrains reclassification of soldiers into these skills, restricts fully qualified prior service personnel from enlisting in these skills, and does not permit retention beyond the Retention Control Point (RCP). The Army will continue to focus and apply management initiatives to develop an optimal force structure.

The estimate reflects a net increase of +\$2.2 million from FY 2004 to FY 2005. The change between fiscal years is due to the following:

- (1) Initial payments increase from FY 2004 to FY 2005 reflecting a +\$4.5 million increase including a +\$.2 million increase to the Critical Skills Retention Bonus (CSRB) program.
- (2) Anniversary payments decrease from FY 2004 to FY 2005 by -\$6.5 million.

**Project: Reenlistment Bonus - Enlisted**

The following are the Army's most critically imbalanced skills as of Jan 2004 (restricted to MOS with authorizations in at least four grade cells):

Shortage MOS

MOS	Title
13F	Fire Support Specialist
15P	Aviation Ops Specialist
18	Special Forces (Series)
55D	EOD Specialist
74D	NBC Operations
91V	Respiratory Specialist
91W	Health Care Specialist
92A	Automated Logistics Specialist
97E	HUMINT Collector
98G	Voice Interceptor

Detailed cost computations are provided by the following table:

ENLISTED REENLISTMENT BONUS  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 2003			ESTIMATE FY 2004			ESTIMATE FY 2005		
	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT
SELECTED REENLISTMENT BONUS									
INITIAL PAYMENTS.....	7,557	\$ 4,627	\$ 34,970	9,983	\$ 4,799	\$ 47,908	10,920	\$ 4,976	\$ 54,342
ANNIVERSARY PAYMENTS.....	49,229	1,374	67,650	32,086	1,581	50,732	27,969	1,661	46,468
TOTAL REENLISTMENT BONUS.....	56,786		\$ 102,620	42,069		\$ 98,640	38,889		\$ 100,810

ENLISTED REENLISTMENT BONUS  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL NUMBER	FY 2003 AMOUNT	ESTIMATE NUMBER	FY 2004 AMOUNT	ESTIMATE NUMBER	FY 2005 AMOUNT
PRIOR OBLIGATIONS.....	21,080	18,553	11,033	16,920	4,791	7,960
ANNIVERSARY PAYMENTS.....	0	0	0	0	0	0
PRIOR YEAR (2003) INITIAL & SUBSEQUENT ANNIVERSARY PAYMENTS.....	0	0	12,028	19,250	7,293	10,940
CURRENT YEAR (2004) INITIAL & SUBSEQUENT ANNIVERSARY PAYMENTS.....	0	0	7,159	9,520	5,857	8,870
BUDGET YEAR (2005) INITIAL & SUBSEQUENT ANNIVERSARY PAYMENTS.....	0	0	0	0	9,457	13,050
BUDGET YEAR (2006) INITIAL & SUBSEQUENT INITIAL PAYMENTS.....	0	0	0	0	0	0
TOTAL						
ANNIVERSARY PAYMENTS.....	49,229	67,650	32,086	50,732	27,969	46,468
SRB TOTAL.....		102,620		98,640		100,810



(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE FY 2005	\$ 141,532
ESTIMATE FY 2004	\$ 149,798
ACTUAL FY 2003	\$ 150,273

**Project: Enlistment Bonus - Enlisted**

**Part I - Purpose and Scope**

Enlistment Bonuses are used to attract higher quality high school diploma graduates into designated Army skills, which are difficult to fill with qualified enlistees. The payment is authorized by 37 U.S.C. 308A, and amended by FY 2000 National Defense Authorization Act (PL 106-65), allows for up to \$6,000 for a two to three year enlistment and up to \$20,000 for a four or more year enlistment. The Army pays up to \$7,000 at their first permanent duty station after successful completion of basic and skill training, then equal periodic payments if required.

New Payments - payments are made before 30 September to individuals who enter active duty and complete skill training during the same fiscal year.

Residual Payments - payments expected in current fiscal year are for individuals who entered the service in previous fiscal years. Since payments do not occur until completion of skill training and after arrival at first duty station, an average of four months elapses from the time the individual enters the service and the initial payment is made.

Incremental Payments - by Army policy, up to \$7,000 may be paid initially in lump sum. Remaining amounts above \$7,000 are paid in equal installments on the soldier's anniversary date over the remaining years of his contract. These payments are contractual obligations paid in the year earned.

**Part II - Justification of Funds Requested**

The Enlistment Bonus Program is designed to expand penetration into the quality market and to distribute quality among the 180 plus initial entry military occupational specialties (MOS). Quality goals for Army accessions are: at least 90 percent high school diploma graduates, 67 percent Test Score Category (TSC) I-III A, and less than 2 percent Category IV. Offering an enlistment bonus, especially at higher levels, allows the Army to channel applicants into critical MOSs, at the right time, thereby supporting readiness. It also compliments two of the top four reasons (pay, tuition for college) for considering enlisting in the Army according to the Youth Attitude Survey (YATS).

The program is tied to a level commensurate with the programmed recruiting mission. These funding levels are critical to attaining Army quality goals during a period of a low unemployment market and low positive propensity of the youth market to enlist. The Enlistment

Bonus Program has increased since FY 2000 reflecting Army Leadership and Congressional continued reliance on the the enlistment bonus to channel applicants into critical MOS training seats at the required time to accomplish accession requirements.

The estimate decreases by -\$8.3 million between FY 2004 and FY 2005. The change between fiscal years is due to the following:

- (1) Program decreases by -\$3.6M for new and anniversary payments between FY 2004 and FY 2005 reflect a -\$3.6 million change.
- (2) Residual payments decrease between FY 2004 and FY 2005 accounts for a -\$2.5 million change.
- (3) Anniversary payments decrease between FY 2004 and FY 2005 accounts for a -\$2.2 million change.

Detailed cost computations are provided by the following table:

ENLISTMENT BONUS PROGRAM  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 2003			ESTIMATE FY 2004			ESTIMATE FY 2005		
	AVERAGE			AVERAGE			AVERAGE		
ENLISTMENT BONUS PROGRAM	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT
NEW PAYMENTS									
UP THRU \$2,000.....	782	\$ 1,000	\$ 782	474	\$ 1,000	\$ 474	306	\$ 1,000	\$ 306
UP THRU \$3,000.....	780	2,000	1,560	465	2,000	930	468	2,000	936
UP THRU \$4,000.....	1,820	3,000	5,460	813	3,000	2,439	780	3,000	2,340
UP THRU \$5,000.....	1,469	4,000	5,876	865	4,000	3,460	858	4,000	3,432
UP THRU \$6,000.....	1,502	5,000	7,510	724	5,000	3,620	702	5,000	3,510
UP THRU \$7,000.....	1,361	6,000	8,166	653	6,000	3,918	624	6,000	3,744
UP THRU \$12,000.....	4,378	7,000	30,646	4,355	7,000	30,485	3,915	7,000	27,405
TOTAL .....	12,092		\$ 60,000	8,349		\$ 45,326	7,653		\$ 41,673
RESIDUAL NEW PAYMENTS									
UP THRU \$2,000.....	512	\$ 1,000	\$ 512	511	\$ 1,000	\$ 511	583	\$ 1,000	\$ 583
UP THRU \$3,000.....	727	2,000	1,454	720	2,000	1,440	699	2,000	1,398
UP THRU \$4,000.....	751	3,000	2,253	1,257	3,000	3,771	1,166	3,000	3,498
UP THRU \$5,000.....	1,199	4,000	4,796	1,338	4,000	5,352	1,282	4,000	5,128
UP THRU \$6,000.....	1,914	5,000	9,570	1,120	5,000	5,600	1,049	5,000	5,245
UP THRU \$7,000.....	1,795	6,000	10,770	988	6,000	5,928	932	6,000	5,592
UP THRU \$12,000.....	4,622	7,000	32,354	6,088	7,000	42,616	5,902	7,000	41,314
TOTAL .....	11,520		\$ 61,709	12,022		\$ 65,218	11,613		\$ 62,758
ANNIVERSARY (INCREMENTAL) PAYMENTS.....	14,390	\$ 1,985	\$ 28,564	21,450	\$ 1,830	\$ 39,254	20,274	\$ 1,830	\$ 37,101
TOTAL ENLISTMENT BONUS PROGRAM.....	38,002		\$ 150,273	41,821		\$ 149,798	39,540		\$ 141,532

ENLISTMENT BONUS INCREMENT PAYMENTS  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 2003		ESTIMATE FY 2004		ESTIMATE FY 2005	
	# PAYMENTS	\$ AMOUNTS	# PAYMENTS	\$ AMOUNTS	# PAYMENTS	\$ AMOUNTS
NEW OBLIGATIONS.....	3,598	7,141	5,363	9,814	5,069	9,275
PRIOR OBLIGATIONS.....	10,792	21,423	16,087	29,440	15,205	27,826
TOTAL INCREMENT PAYMENTS.....	14,390	28,564	21,450	39,254	20,274	37,101

ESTIMATE	FY 2005	\$ 18,378
ESTIMATE	FY 2004	\$ 30,566
ACTUAL	FY 2003	\$ 30,115

**Project: Educational Benefits**

**Part I - Purpose and Scope**

Funds are for the payment to the Department of Defense (DOD) Educational Benefits Trust Fund. The Army College Fund (ACF) is governed by Title 38 U.S.C., Chapter 30. The ACF is used to attract higher quality high school diploma graduates into designated Army skills which are difficult to fill with qualified enlistees. The program will fund additional and supplemental benefit payments above a basic benefit (the Montgomery GI Bill) to be budgeted by the Department of Veteran Affairs (DVA). This program is budgeted on an accrual basis by the DOD. The DOD Board of Actuaries establishes per capita normal costs and amortization rates for each fiscal year. Actual benefit payments to individuals will be made by the DVA from funds transferred from the Trust Fund account.

**Part II - Justification of Funds Requested**

All individuals entering active duty after July 1, 1985 (including those in the Delayed Entry Program) are eligible to receive additional and supplemental educational assistance at the discretion of the Secretary of Defense. Basic eligibility to qualify for these educational benefits is contingent upon the soldier electing to participate in the basic program - the Montgomery GI Bill. Exceptions to eligibility are those who have received a commission from a Service academy or completed a ROTC Scholarship Program.

The ACF Program is designed to expand penetration into the quality market and distribute quality among the 200 plus initial entry military occupational specialties (MOS). Offering an ACF, especially at the higher levels, allows the Army to channel applicants into critical MOS and support readiness. It also compliments one of the top reasons -- tuition for college -- for considering enlisting in the Army according to the Youth Attitude Survey (YATS).

The program is tied to a level commensurate with the programmed recruiting mission. These funding levels are critical to attaining Army quality goals during a period of a lower unemployment economy and low positive propensity of the youth market to enlist. It has become increasingly difficult to recruit sufficient soldiers to sustain a quality force. In response, the Army had implemented a \$50K ACF for the critical MOS and raised the ACF levels for 2/3/4 year terms of service from \$20K/\$25K/\$30K to \$26.6K/\$33K/\$40K.

In P.L. 107-103, Congress increased the amount of the basic GI Bill benefit paid by Veterans Affairs. Since there is a \$50K cap on the total amount of education assistance that can be provided through the basic benefit and the Army College Fund program, the increase in basic benefits requires that the College Fund benefits be reduced. The increase in basic benefits also neutralized the benefits of the \$26.5K and \$33K College Fund levels, resulting in programming for only \$40K and \$50K College Fund levels.

The budget maintains the buying power of the College Fund into the future. The funding is commensurate with the efforts recruiting places on the college market and the effect of an increased emphasis on the graduate market as a condition of the current status of the delayed entry program (DEP), and the enormous pressure from the job market. The effect will be a continued ability to increase the quality content of the Army to the Army's goal of 67% and to channel quality applicants to critical MOSs. The per-capita amounts are dependent on the DoD Board of Actuaries and are released after their annual August meeting.

Detailed cost computations are provided by the following table:

ENLISTED EDUCATIONAL BENEFITS  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 2003			ESTIMATE FY 2004			ESTIMATE FY 2005		
	ELIGIBLES	RATE	AMOUNT	ELIGIBLES	RATE	AMOUNT	ELIGIBLES	RATE	AMOUNT
COLLEGE FUND									
SIX YEAR COMMITMENT (\$50K) .....	0	\$ 0	\$ 0	3,923	\$ 2,763	\$ 10,839	1,192	\$ 2,763	\$ 3,293
FIVE YEAR COMMITMENT (\$47K) .....	0	0	0	3,928	2,567	10,083	1,199	2,567	3,078
FOUR YEAR COMMITMENT (\$42K) .....	0	0	0	4,793	1,669	8,000	7,194	1,669	12,007
FOUR YEAR COMMITMENT (\$30K) .....	0	0	0	0	0	0	0	0	0
FOUR YEAR COMMITMENT (\$40K) .....	4,660	1,658	7,726	0	0	0	0	0	0
FOUR YEAR COMMITMENT (\$50K) .....	3,947	4,568	18,030	0	0	0	0	0	0
SUBTOTAL FOUR YEAR .....	8,607		\$ 25,756	4,793		\$ 8,000	7,194		\$ 12,007
THREE YEAR COMMITMENT (\$37K) .....	0	0	0	2,576	523	1,347	0	0	0
THREE YEAR COMMITMENT (\$35K) .....	1,751	1,085	1,900	0	0	0	0	0	0
SUBTOTAL THREE YEAR .....	1,751		\$ 1,900	2,576		\$ 1,347	0		\$ 0
TWO YEAR COMMITMENT (\$30K) .....	0	0	0	789	377	297	0	0	0
TWO YEAR COMMITMENT (\$28.5K) .....	493	4,987	2,459	0	0	0	0	0	0
SUBTOTAL TWO YEAR .....	493		\$ 2,459	789		\$ 297	0		\$ 0
TOTAL \$28.5K .....	493		2,459	0		0	0		0
TOTAL \$30K .....	0		0	789		297	0		0
TOTAL \$35K .....	1,751		1,900	0		0	0		0
TOTAL \$37K .....	0		0	2,576		1,347	0		0
TOTAL \$40K .....	4,660		7,726	0		0	0		0
TOTAL \$42K .....	0		0	4,793		8,000	7,194		12,007
TOTAL \$47K .....	0		0	3,928		10,083	1,199		3,078
TOTAL \$50K .....	3,947		18,030	3,923		10,839	1,192		3,293
GRAND TOTAL COLLEGE FUND .....	10,851		\$ 30,115	16,009		\$ 30,566	9,585		\$ 18,378

(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE FY 2005	\$ 44,399
ESTIMATE FY 2004	\$ 43,331
ACTUAL FY 2003	\$ 48,131

**Project: Loan Repayment Program - Enlisted**

**Part I - Purpose and Scope**

The Loan Repayment Program (LRP) is authorized by PL 99-145, Section 2171. Guidelines for the LRP are contained in Chapter 109, Title 10, United States Code. The LRP pays for federal student loans guaranteed by the Department of Education under the Higher Education Act of 1965 and state sponsored school loans up to a maximum of \$65,000 (limited by Army policy). The LRP is an enlistment incentive designed to increase Test Score Category I-III A enlistments. The LRP repays \$1,500 or one-third of the qualified loan whichever is greater, for every year of service.

**Part II - Justification and Funds Requested**

According to the University of Michigan Annual Monitoring the Future Survey, 80% of high school seniors plan to attend a four-year college and are applying for loans in increasing numbers. Conversely, the College Board has determined that 50% of all students entering four-year colleges are not enrolled after two years, primarily due to financial reasons.

Because more high school seniors are attending college, the non-college bound quality market is reduced. The LRP is an effective tool for penetrating the college market, especially that segment that have opted out at a point prior to graduation.

The +\$1.1 million increase between FY 2004 and FY 2005 reflects changes to funding levels necessary to achieve the required quality goals and accession requirements.

Detailed cost computations are provided by the following table:



ENLISTED LOAN REPAYMENT PROGRAM  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 2003		ESTIMATE FY 2004		ESTIMATE FY 2005	
	NUMBER	AMOUNT	NUMBER	AMOUNT	NUMBER	AMOUNT
LOAN REPAYMENT PROGRAM.....	11,454	\$ 48,131	9,187	\$ 43,331	8,777	\$ 44,399

(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE FY 2005	\$ 2,322,693
ESTIMATE FY 2004	\$ 2,677,162
ACTUAL FY 2003	\$ 2,518,468

**Project: Basic Allowance for Housing - Enlisted**

**Part I - Purpose and Scope**

Congress approved in the FY 1998 National Defense Authorization Act the payment of a basic allowance for housing (BAH) to service members. The overseas housing allowance (OHA) payment, formerly located in overseas station allowances, moved into this section by a change in law. The continental United States, Alaska and Hawaii BAH is included in BAH Domestic, while the overseas housing allowance is called BAH Overseas. Payment to service members is authorized by revisions to 37 U.S.C. 403.

**Part II - Justification of Funds Requested**

The net change in the basic allowance for housing requirement decreases due to no Supplemental funding being included in the FY 2005 budget.

This includes--

- (1) Increase in BAH pay rates are associated with reducing out of pocket housing costs to zero out of pocket housing costs in FY 2005. Also includes an overall 3.0% general housing cost growth change.
- (2) Privatization of Army family housing units under the Residential Communities Initiative, and other changes: +\$342.8 million.

Detailed cost computations are provided by the following table:

ENLISTED BASIC ALLOWANCE FOR HOUSING - DOMESTIC  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 2003			ESTIMATE FY 2004			ESTIMATE FY 2005		
	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT
BAH WITH DEPENDENTS									
SERGEANT MAJOR.....	2,022	\$ 13,302	\$ 26,897	2,454	\$ 14,259	\$ 34,992	2,177	\$ 15,203	\$ 33,097
1ST SGT/MASTER SGT..	7,487	12,504	93,617	8,720	13,426	117,075	7,645	14,314	109,431
PLTN SGT/SFC.....	25,137	11,631	292,368	29,704	12,491	371,033	25,054	13,318	333,669
STAFF SERGEANT.....	41,142	10,932	449,764	39,778	11,771	468,227	34,062	12,550	427,478
SERGEANT.....	35,723	9,732	347,656	39,387	10,445	411,397	34,287	11,136	381,820
CORPORAL/SPC4.....	39,380	8,943	352,175	45,752	9,561	437,435	37,346	10,194	380,705
PRIVATE, 1ST CL.....	15,114	8,667	130,993	14,358	9,308	133,644	11,773	9,924	116,835
PRIVATE (E2).....	5,384	8,943	48,149	6,813	9,624	65,568	6,505	10,261	66,748
PRIVATE (E1).....	2,664	9,459	25,199	3,466	10,180	35,284	3,267	10,854	35,460
TOTAL BAH									
WITH DEPENDENTS.....	174,053		\$ 1,766,818	190,432		\$ 2,074,655	162,116		\$ 1,885,243
BAH DIFFERENTIAL.....	11,388	2,242	25,532	11,135	2,407	26,802	10,924	2,455	26,818
TOTAL.....	185,441		\$ 1,792,350	201,567		\$ 2,101,457	173,040		\$ 1,912,061
BAH WITHOUT DEPENDENTS									
SERGEANT MAJOR.....	680	\$ 11,121	\$ 7,562	371	\$ 11,872	\$ 4,405	277	\$ 12,658	\$ 3,506
1ST SGT/MASTER SGT..	2,441	10,416	25,425	1,369	11,165	15,285	1,011	11,904	12,035
PLTN SGT/SFC.....	8,440	9,138	77,125	5,069	9,776	49,555	3,871	10,423	40,347
STAFF SERGEANT.....	14,063	8,592	120,829	8,858	9,182	81,334	6,764	9,790	66,220
SERGEANT.....	15,020	8,181	122,879	11,446	8,765	100,324	9,694	9,345	90,590
CORPORAL/SPC4.....	21,136	7,323	154,779	12,612	7,831	98,765	8,247	8,349	68,854
PRIVATE, 1ST CL.....	1,988	7,143	14,200	1,967	7,666	15,079	1,503	8,174	12,286
PRIVATE (E2).....	405	7,035	2,849	487	7,502	3,653	391	7,999	3,128
PRIVATE (E1).....	136	6,906	939	171	7,338	1,255	135	7,824	1,056
TOTAL BAH									
WITHOUT DEPENDENTS....	64,309		\$ 526,587	42,350		\$ 369,655	31,893		\$ 298,022

ENLISTED BASIC ALLOWANCE FOR HOUSING - DOMESTIC  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 2003			ESTIMATE FY 2004			ESTIMATE FY 2005		
	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT
BAH PARTIAL ALLOWANCE BACHELOR									
SERGEANT MAJOR.....	14	\$ 223	\$ 3	16	\$ 223	\$ 4	12	\$ 223	\$ 3
1ST SGT/MASTER SGT..	44	184	8	352	184	65	37	184	7
PLTN SGT/SFC.....	1,065	144	153	7,212	144	1,039	177	144	25
STAFF SERGEANT.....	9,550	119	1,136	9,395	119	1,118	1,504	119	179
SERGEANT.....	12,366	104	1,286	12,796	104	1,331	9,854	104	1,025
CORPORAL/SPC4.....	54,078	97	5,246	67,541	97	6,551	46,383	97	4,499
PRIVATE, 1ST CL.....	45,196	94	4,248	44,321	94	4,166	33,797	94	3,177
PRIVATE (E2).....	24,995	86	2,150	29,796	86	2,562	23,907	86	2,056
PRIVATE (E1).....	14,602	83	1,212	17,882	83	1,484	14,194	83	1,178
TOTAL BAH PARTIAL ALLOWANCE BACHELOR....	161,910		\$ 15,442	189,311		\$ 18,320	129,865		\$ 12,149
BAH INADEQUATE FAMILY HOUSING									
SERGEANT MAJOR.....	0	\$ 3,326	\$ 0	0	\$ 3,565	\$ 0	0	\$ 3,801	\$ 0
1ST SGT/MASTER SGT..	1	3,126	3	1	3,356	3	1	3,579	4
PLTN SGT/SFC.....	0	2,908	0	0	3,123	0	0	3,329	0
STAFF SERGEANT.....	0	2,733	0	0	2,943	0	0	3,138	0
SERGEANT.....	9	2,433	22	9	2,611	23	7	2,784	19
CORPORAL/SPC4.....	54	2,236	121	61	2,390	146	45	2,548	115
PRIVATE, 1ST CL.....	36	2,167	78	35	2,327	81	26	2,481	65
PRIVATE (E2).....	11	2,236	25	13	2,406	31	11	2,565	28
PRIVATE (E1).....	5	2,365	12	6	2,545	15	4	2,713	11
TOTAL BAH INADEQUATE FAMILY HOUSING.....	116		\$ 261	125		\$ 299	94		\$ 242
TOTAL BASIC ALLOWANCE FOR HOUSING - DOMESTIC	411,776		\$ 2,334,640	433,353		\$ 2,489,731	334,892		\$ 2,222,474

ENLISTED BASIC ALLOWANCE FOR HOUSING - OVERSEAS  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 2003			ESTIMATE FY 2004			ESTIMATE FY 2005		
	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT
BAH WITH DEPENDENTS									
SERGEANT MAJOR.....	98	\$ 22,281	\$ 2,184	96	\$ 20,044	\$ 1,924	74	\$ 20,044	\$ 1,483
1ST SGT/MASTER SGT..	327	20,272	6,629	308	18,237	5,617	231	18,237	4,213
PLTN SGT/SFC.....	892	18,677	16,660	892	16,802	14,987	648	16,802	10,888
STAFF SERGEANT.....	1,357	16,873	22,897	1,389	15,179	21,084	853	15,179	12,948
SERGEANT.....	1,120	15,829	17,728	1,595	14,240	22,713	930	14,240	13,243
CORPORAL/SPC4.....	1,528	14,440	22,064	2,416	12,990	31,384	649	12,990	8,431
PRIVATE, 1ST CL.....	111	13,908	1,544	921	12,512	11,524	69	12,512	863
PRIVATE (E2).....	22	14,243	313	22	12,813	282	18	12,813	231
PRIVATE (E1).....	8	13,747	110	6	12,367	74	7	12,367	87
TOTAL BAH WITH DEPENDENTS.....	5,463		\$ 90,129	7,645		\$ 109,589	3,479		\$ 52,387
BAH WITHOUT DEPENDENTS									
SERGEANT MAJOR.....	82	\$ 29,493	\$ 2,418	66	\$ 26,575	\$ 1,754	50	\$ 26,575	\$ 1,329
1ST SGT/MASTER SGT..	341	23,318	7,951	264	21,011	5,547	199	21,011	4,181
PLTN SGT/SFC.....	1,070	19,862	21,252	848	17,897	15,177	634	17,897	11,347
STAFF SERGEANT.....	1,839	14,128	25,981	1,323	12,730	16,842	937	12,730	11,928
SERGEANT.....	2,166	10,311	22,334	1,699	9,291	15,785	1,272	9,291	11,818
CORPORAL/SPC4.....	616	19,514	12,021	1,231	17,583	21,645	358	17,583	6,295
PRIVATE, 1ST CL.....	76	18,577	1,412	48	16,739	803	42	16,739	703
PRIVATE (E2).....	15	18,296	274	13	16,486	214	11	16,486	181
PRIVATE (E1).....	4	13,938	56	6	12,559	75	4	12,559	50
TOTAL BAH WITHOUT DEPENDENTS....	6,209		\$ 93,699	5,498		\$ 77,842	3,507		\$ 47,832
TOTAL BASIC ALLOWANCE FOR HOUSING - OVERSEAS	11,672		\$ 183,828	13,143		\$ 187,431	6,986		\$ 100,219
TOTAL ENLISTED BASIC ALLOWANCE FOR HOUSING.....	423,448		\$ 2,518,468	446,496		\$ 2,677,162	341,878		\$ 2,322,693

(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE FY 2005	\$ 151,133
ESTIMATE FY 2004	\$ 235,824
ACTUAL FY 2003	\$ 118,847

**Project: Station Allowance Overseas - Enlisted**

**Part I - Purpose and Scope**

The funds requested will provide payment of a per diem allowance to enlisted personnel on duty outside the United States considering all elements of the cost of living, subsistence and other necessary incidental expenses as prescribed by joint travel regulations and authorized under provisions of 37 U.S.C. 405.

**Part II - Justification of Funds Requested**

Overseas Station Allowance payments are determined by multiplying the projected number of personnel eligible for each type of allowance by the estimated average rate applicable.

Fluctuations in currency exchange rates have a direct impact on Overseas Station Allowance. This has been especially true in the case of Germany. The estimates for overseas station allowances are based on rates of exchange of 1.0314 Euro/\$1 US.

This change includes --

- (1) Annualization of the FY 2003 4.1% pay raise and the pay raise of 1 Jan 2004.
- (2) The 3.5% payraise, 1 Jan 2005.
- (3) Foreign currency valuation change.

Detailed cost computations are provided by the following table:

ENLISTED OVERSEAS STATION ALLOWANCE  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 2003			ESTIMATE FY 2004			ESTIMATE FY 2005		
	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT
COST OF LIVING									
SGM.....	786	\$ 2,001	\$ 1,573	641	\$ 3,989	\$ 2,557	441	\$ 4,478	\$ 1,975
1ST SGT/MASTER SGT.....	2,568	1,819	4,671	2,568	3,655	9,386	1,440	4,092	5,892
PLTN SGT/SFC.....	8,053	1,688	13,593	10,053	3,470	34,884	4,515	3,883	17,532
SSG.....	13,331	1,415	18,863	13,331	2,885	38,460	7,474	3,223	24,089
SGT.....	21,766	1,125	24,487	21,766	2,305	50,171	12,203	2,575	31,423
CORPORAL/SPC4.....	27,025	805	21,755	30,218	1,703	51,461	16,941	1,899	32,171
PRIVATE, 1ST CL.....	13,475	572	7,708	15,472	1,072	16,586	8,674	1,195	10,365
PV2.....	5,671	502	2,847	7,430	832	6,182	4,165	925	3,853
PV1.....	1,626	451	733	3,126	838	2,620	911	917	835
SUBTOTAL.....	94,301		96,230	104,605		212,307	56,764		128,135
TEMPORARY LODGING ALLOWANCE....	41,348	\$ 547	\$ 22,617	42,450	\$ 554	\$ 23,517	40,995	\$ 561	\$ 22,998
TOTAL ENLISTED STATION ALLOWANCE OVERSEAS..	135,649		\$ 118,847	147,055		\$ 235,824	97,759		\$ 151,133

(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE	FY 2005	\$ 5,576
ESTIMATE	FY 2004	\$ 26,369
ACTUAL	FY 2003	\$ 26,951

**Project: CONUS Cost of Living Allowance - Enlisted**

**Part I - Purpose and Scope**

The funds requested will provide payment of a cost of living allowance (COLA) to soldiers who are assigned to high cost areas in the continental United States (CONUS). A high cost area is defined as a locality where the cost of living exceeds the average cost of living in CONUS by an established threshold percentage during a base period. The threshold percentage is established by the Secretary of Defense but cannot be less than eight percent. The current established threshold is 108 percent of the national cost of living average. The amount of COLA payable is the product of spendable income (based on regular military compensation level) multiplied by the difference between the COLA index for the individual's high cost area and the threshold percentage. The FY 1995 DoD Authorization Act authorized the allowance.

**Part II - Justification of Funds Requested**

CONUS COLA payments are determined by multiplying the projected number of personnel eligible by an estimated rate.

Detailed cost computations are provided by the following table:



ENLISTED CONUS COST OF LIVING ALLOWANCE  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 2003			ESTIMATE FY 2004			ESTIMATE FY 2005		
	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT
CONUS COLA.....	18,112	\$ 1,488	\$ 26,951	17,757	\$ 1,485	\$ 26,369	1,903	\$ 2,930	\$ 5,576

ESTIMATE FY 2005	275,401
ESTIMATE FY 2004	278,604
ACTUAL FY 2003	344,271

**Project: Clothing Allowances - Enlisted**

**Part I - Purpose and Scope**

The funds requested will provide for payment to enlisted personnel for prescribed clothing authorized by the Secretary of Defense under the provisions of 37 U.S.C. 418 including:

- (1) Initial Clothing Allowance when authorized by competent orders.
- (2) For cash payment of the Clothing Basic Maintenance Allowance authorized from the sixth month of entrance on duty through the thirty-sixth month and/or cash payment of the Standard Maintenance Allowance authorized from the thirty-seventh month through the completion of the enlistment.
- (3) For cost of Issue-In-Kind in areas where clothing maintenance allowance is not authorized.
- (4) Supplementary Clothing Allowances for personnel assigned to special organizations or details where the nature of the duties to be performed requires additional items of individual clothing not required for the majority of enlisted personnel.

**Part II - Justification of Funds Requested**

Detailed cost computations are provided by the following table:

ENLISTED CLOTHING ALLOWANCES  
RATE SUMMARY REVIEW

	FY 2004 COLUMN OF FY 04 PRES BUDGET	FY 2004 COLUMN OF FY 05/06 PRES BUDGET	FY 2005 COLUMN OF FY 05/06 PRES BUDGET
INITIAL ISSUE			
ENLISTED MEN.....	1,569.00	1,211.64	1,236.72
ENLISTED WOMEN.....	282.00	1,464.84	1,518.50
CLOTHING MAINTENANCE ALLOWANCE			
ENLISTED MEN - BASIC.....	339.00	324.00	329.83
- STANDARD.....	402.00	460.80	469.09
ENLISTED WOMEN - BASIC.....	485.00	381.60	388.47
- STANDARD.....	0.00	543.60	553.38

ENLISTED CLOTHING ALLOWANCES

	ACTUAL FY 2003			ESTIMATE FY 2004			ESTIMATE FY 2005		
	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT
CLOTHING - INITIAL ALLOWANCE									
INITIAL ALLOWANCE									
MILITARY CLOTHING									
CIVILIAN LIFE, MEN.....	55,087	1,170.53	\$ 64,481	52,962	1,211.64	\$ 64,171	53,820	1,236.72	\$ 66,560
CIVILIAN LIFE, WOMEN.....	8,581	1,774.25	\$ 15,225	14,938	1,464.84	\$ 21,882	15,180	1,518.50	\$ 23,051
ARMY RESERVE W/PARTIAL CLOTHING ALLOWANCE.....	75	379.10	28	75	357.45	27	75	362.04	27
NATIONAL GUARD WITH PARTIAL CLOTHING ALLOWANCE.....	65	322.40	21	65	355.29	23	65	359.85	23
LESS SAVINGS ON DEFERRED CLOTHING ISSUE.....			(1,572)			(1,458)			(1,501)
ADVANCE FUNDING FOR NEW CLOTHING ITEMS.....			0			0			0
LIQUIDATION OF PRIOR YEAR ADVANCES.....			0			0			0
TOTAL MILITARY CLOTHING.....			78,183			84,645			88,160
CIVILIAN CLOTHING									
WINTER AND SUMMER.....	1,899	824.00	1,565	3,064	835.00	2,558	3,064	853.00	2,614
WINTER OR SUMMER.....	0	824.00	0	0	0.00	0	0	0.00	0
TEMPORARY DUTY.....	0	0.00	0	0	0.00	0	0	0.00	0
SPEC CONTINUING - DUAL SEASON.....	0	0.00	0	0	0.00	0	0	0.00	0
SPEC CONTINUING - SINGLE SEASON.....	0	0.00	0	0	0.00	0	0	0.00	0
TOTAL CIVILIAN CLOTHING.....			1,565			2,558			2,614
TOTAL INITIAL ALLOWANCE.....			79,748			87,203			90,774

ENLISTED CLOTHING ALLOWANCES

	ACTUAL FY 2003			ESTIMATE FY 2004			ESTIMATE FY 2005		
	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT
CLOTHING - MAINTENANCE ALLOWANCE									
BASIC MAINTENANCE ( PERSONNEL WITH 7-36 MONTHS SERVICE )									
MALE.....	136,874	284	38,927	143,747	324	46,574	141,337	330	46,617
FEMALE.....	17,752	342	6,071	26,551	382	10,132	26,105	388	10,141
TOTAL.....			44,998			56,706			56,758
STANDARD MAINTENANCE ( PERSONNEL WITH 37 MONTHS OR MORE OF SERVICE )									
MALE.....	193,573	406.80	78,745	197,206	460.80	90,873	193,888	469.09	90,951
FEMALE.....	33,530	489.60	16,416	36,425	543.60	19,801	35,812	553.38	19,818
TOTAL.....			95,161			110,674			110,769
TOTAL MAINTENANCE ALLOWANCES....			140,159			167,380			167,527
SUPPLEMENTARY ALLOWANCES..			121,305			16,993			9,935
OTHER									
ISS.-IN-KIND-KATUSA.....	4,823	414.21	1,998	4,836	1,196.83	5,788	4,851	1,213.87	5,888
REPLACEMENT DURING FIRST SIX MONTHS.....	63,668	16.66	1,061	67,900	18.26	1,240	69,000	18.51	1,277
CHARGE SALES.....			50			92			135
TOTAL.....			3,109			7,120			7,300
TOTAL CLOTHING ALLOWANCES.....			344,321			278,696			275,536
LESS REIMBURSABLE OBLIGATIONS.....			50			92			135
TOTAL DIRECT ENLISTED CLOTHING OBLIGATIONS.....			344,271			278,604			275,401

(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE FY 2005	\$ 42,660
ESTIMATE FY 2004	\$ 890,955
ACTUAL FY 2003	\$ 639,777

**Project: Family Separation Allowances - Enlisted**

**Part I - Purpose and Scope**

The funds requested are to provide for family separation allowance (FSA) payments to enlisted personnel with dependents on duty outside the United States or in Alaska for added separation expenses under two circumstances:

(1) Travel of dependents to overseas duty station is not authorized and the member maintains two homes, one in CONUS for the member's family and one overseas for the member. Payment is made at the monthly quarters allowance rate authorized for a member of the same grade without dependents.

(2) When a member with dependents makes a permanent change of station (PCS) or is on temporary duty (TDY) travel, or on board ship for thirty days or more either in CONUS or overseas and the travel of dependents to the member's duty station is not authorized and dependents do not reside at or near duty station. The payment is \$100 per month for both FSA-PCS and FSA-TDY (37 U.S.C. 427).

**Part II - Justification of Funds Requested**

The estimated number of payments is based on historical performance and programmed requirements for overseas stationing. Allowances for family separation payments are determined by multiplying the estimated number of personnel for each type of family separation allowance by the applicable statutory rate.

Detailed cost computations are provided by the following table:

ENLISTED FAMILY SEPARATION ALLOWANCE  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 2003			ESTIMATE FY 2004			ESTIMATE FY 2005		
	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT
PCS OVERSEAS WITH DEPENDENTS NOT AUTHORIZED AND MAINTAINS TWO HOMES									
SGM.....	62	\$ 7,356	\$ 456	39	\$ 7,598	\$ 296	31	\$ 7,826	\$ 243
1SG/MSG.....	73	6,754	493	46	6,976	321	37	7,185	266
PSG/SFC.....	862	5,766	4,970	537	5,956	3,198	433	6,135	2,656
SSG.....	936	5,221	4,887	583	5,393	3,144	470	5,555	2,611
SGT.....	819	4,815	3,943	511	4,973	2,541	411	5,122	2,105
CPL/SPC.....	60	4,188	251	37	4,325	160	29	4,455	129
SUBTOTAL.....	2,812		15,000	1,753		9,660	1,411		8,010
PCS CONUS OR OVERSEAS WITH DEPENDENTS NOT AUTHORIZED.....	43,601	3,000	130,803	64,915	3,000	194,745	13,066	1,650	21,559
TDY CONUS OR OVERSEAS FOR MORE THAN 30 DAYS WITH DEPENDENTS NOT RESIDING NEAR TDY STATION.....	164,658	3,000	493,974	228,850	3,000	686,550	7,934	1,650	13,091
TOTAL ENLISTED FAMILY SEPARATION ALLOWANCES.....	211,071		\$ 639,777	295,518		\$ 890,955	22,411		\$ 42,660

(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE FY 2005	\$ 287,296
ESTIMATE FY 2004	\$ 292,274
ACTUAL FY 2003	\$ 341,385

**Project: Separation Payments - Enlisted**

**Part I - Purpose and Scope**

Accrued Leave Payments - members are authorized 30 days of ordinary leave annually. They may accumulate a maximum of no more than 60 days unused leave at the beginning of any fiscal year. Upon retirement or separation, members are paid for unused accrued leave at the rate of basic pay to which entitled at time of release. Effective 10 February 76, a member cannot be paid for more than 60 days of accrued leave during his military career. This limitation does not include payments for accrued leave made before that date.

Severance Pay - Disability - Disability Severance Pay is authorized to members on active duty who are discharged because of physical disability and who have less than 20 years of service and less than 30 percent disability.

Severance Pay - Non Disability - Commencing in FY 1991, non-disability severance pay is authorized to members on active duty who are involuntarily separated from service, are not eligible for retirement pay, and meet minimum time-in-service requirements.

The FY 1992 National Defense Authorization Act approved two voluntary separation pay programs to use during the force drawdown. The programs apply to both officers and enlisted soldiers who have more than six and less than 20 years of service. The first, voluntary separation incentive (VSI) is an annuity that makes annual payments for twice the number of years served for soldiers who voluntarily leave active duty. The second program, special separation benefit (SSB), provides a lump sum of one and a half times involuntary separation pay (50% more) for soldiers who voluntarily leave active duty. VSI and SSB have been used to reduce involuntary separations. The authority to use VSI/SSB was extended from 30 Sep 1990 to 30 Sep 2001 by the FY 1999 National Defense Authorization Act. However, the Army will reach its steady state end strength at the end of FY 1999 and will not offer VSI and SSB to any new takers after FY 1999.

The FY 1993 National Defense Authorization Act approved an active duty early retirement program for use during the force drawdown. The early retirement program has been used to shape the 15-20 year segment of the force. It has assisted the Army in achieving its drawdown goals of maintaining readiness and treating people fairly. Soldiers separated under the early retirement program receive the same benefits as individuals with 20 or more years of service. However, their retired pay is reduced by one percent for each year that they are short of 20 years of active duty. The early retirement amount is the product of 2.5 percent times years of service times basic pay times reduction factor. For the enlisted personnel who leave under the early retirement program, the Army is required to establish a subaccount within the Military Personnel Appropriation to fund all early retirement payments up front in the Military Personnel Appropriation to cover the entire initial period, which is defined as that period equal to the difference between 20 years and the number of years completed by the member. The authority to use the early retirement program was extended from 1 Oct 1999 to 1 Oct 2001 by the FY 1999



National Defense Authorization Act. However, the Army having reached steady state end strength at the end of FY 1999 and has not offered early retirement to any new takers since FY 1999.

## **Part II - Justification of Funds Requested**

Severance payments are determined by multiplying the projected number eligible for each type of payment by the estimated average payment applicable. Accumulated leave payments are made based upon leave accrued as of 1 September 76. For leave accumulated prior to 1 September 76, and retained throughout the career, payments include basic pay, \$1.25 per day quarters allowance to members in pay grade E-5 to E-9 with dependents, and 70 cents per day to all members for subsistence. For leave accumulated after 1 September 76, to include lowering of leave balances prior to 1 September 76, the rate payable is basic pay only. Leave payments will not exceed a career total of 60 days. Severance pay for disability is computed at two months basic pay of grade held at time of discharge multiplied by the number of years active service, but not more than 12. The SSB amount is from the annual base pay times 15 percent times years of service. The VSI (annuity) is a product of annual base pay times 2.5 percent times years of service and is paid for twice the number of years served, without any cost of living adjustments. Donations are computed by multiplying the programmed number of releases from confinement and the number discharged for fraudulent enlistments by \$25.00. The National Defense Authorization Act for FY 1992 and FY 1993 required the establishment of a VSI Fund effective 1 January 93 from which VSI payments will be made. The act further required the board of actuaries to determine: (1) the amount necessary to liquidate the original unfunded liability, i.e., those personnel accepting VSI benefits prior to 1 January 93 and (2) the total present value costs necessary to fund those members accepting VSI benefits after 1 January 93.

The FY 2000 Authorization Act provides for a system that will give the soldier the option to retire under the pre-1986 military retirement system or accept a one-time \$30,000 lump sum payment and remain under the Redux retirement plan. The lump sum payments began being paid from the Military Personnel appropriation in FY 2001 and full implementation of the program is reflected in the budget from FY 2002 into the future.

The FY 2000 Authorization Act provides for special compensation for uniformed service retirees who completed a minimum 20 years of creditable service for computing the amount of retired pay, and also had incurred a qualifying combat related disability. A qualifying disability includes a war related service disability rated at a minimum 60 percent, or a minimum 10 percent disability for which they received a Purple Heart. The amount of the compensation is equal to the veterans' disability compensation based solely on the combat related disability.

The requirement for separation pay between FY 2004 and FY 2005 is based on--

- (1) Annualization of the 4.1% and targeted pay raise, 1 Jan 2004.
- (2) The 3.5% pay raise, 1 Jan 2005.
- (3) Net decrease to numbers receiving separation payments.

Detailed cost computations are provided by the following table:

ENLISTED SEPARATION PAYMENTS  
(AMOUNT IN THOUSANDS OF DOLLARS)

		ACTUAL FY 2003				ESTIMATE FY 2004				ESTIMATE FY 2005		
	NUMBER	AVG DAYS	RATE	AMOUNT	NUMBER	AVG DAYS	RATE	AMOUNT	NUMBER	AVG DAYS	RATE	AMOUNT
LUMP SUM TERMINAL LEAVE PAYMENTS												
SERGEANT MAJOR.....	674	16.3	\$ 2,523	\$ 1,701	494	16.3	\$ 2,665	\$ 1,316	489	16.3	\$ 2,646	\$ 1,294
1ST SERGEANT/MASTER SERGEANT.....	1,941	15.6	1,936	3,757	1,688	15.6	2,031	3,428	1,681	15.6	2,011	3,380
PLATOON SERGEANT/SERGEANT 1ST CLASS..	5,359	17.3	1,829	9,801	5,359	17.3	1,922	10,301	4,680	17.3	1,913	8,955
STAFF SERGEANT.....	5,428	21.2	1,825	9,908	5,164	21.2	1,906	9,842	5,111	21.2	1,888	9,649
SERGEANT.....	14,489	18.9	1,318	19,103	14,858	18.9	1,380	20,505	15,028	18.9	1,372	20,624
CORPRAL/SPECIALIST 4.....	30,720	14.1	796	24,454	33,290	14.1	826	27,505	32,347	14.1	820	26,512
PRIVATE, FIRST CLASS.....	4,875	18.0	833	4,061	3,751	18.0	862	3,235	3,155	18.0	853	2,692
PRIVATE (E2).....	6,657	15.6	652	4,340	4,326	15.6	682	2,949	4,019	15.6	681	2,737
PRIVATE (E1).....	6,605	17.9	597	3,944	4,543	17.9	616	2,799	4,378	17.9	608	2,660
SUBTOTAL.....	76,748			\$ 81,069	73,473			\$ 81,880	70,888			\$ 78,503
SEVERANCE PAY (DISABILITY).....	4,674		\$ 18,253	\$ 85,315	5,143		\$ 19,010	\$ 97,767	4,641		\$ 19,709	\$ 91,467
AUTHORIZED DONATIONS.....	152		25	4	152		25	4	152		25	4
INVOLUNTARY HALF-PAY(5%).....	2,832		10,913	30,906	1,212		11,365	13,775	1,314		11,783	15,483
INVOLUNTARY FULL-PAY(10%).....	1,631		22,643	36,931	1,225		23,582	28,888	1,272		24,449	31,099
SPECIAL SEPARATION BENEFIT(15%).....	0		0	0	0		0	0	0		0	0
15 YEAR RETIREMENT.....	0		0	0	0		0	0	0		0	0
SUBTOTAL SEPARATION PAY (NON-DISABILITY).....	4,463			\$ 67,837	2,437			\$ 42,663	2,586			\$ 46,582
VOLUNTARY SEPARATION INCENTIVE (DIRECT MILPERS PAYMENTS) 1).....	0			\$ 7,160	0			\$ 4,960	0			\$ 5,760
THRU DEC 31, 1992.....				7,160				4,960				5,760
JAN 1, 1993 AND AFTER.....	0			0	0			0	0			0
\$30,000 LUMP SUM BONUS.....				\$ 100,000				\$ 65,000				\$ 64,980
TOTAL ENLISTED SEPARATION PAY.....	86,037			\$ 341,385	81,205			\$ 292,274	78,267			\$ 287,296

1) VSI recipients after 31 Dec 92 - Payments are made from the Military Personnel, Army Appropriation to the VSI Trust Fund.

(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE FY 2005	\$ 0
ESTIMATE FY 2004	\$ 151,000
ACTUAL FY 2003	\$ 856

**Project: Special Compensation for Combat Related Disabled**

**Part I - Purpose and Scope**

Section 658 of the FY 2003 National Defense Authorization Act (NDAA), (10 USC Section 1413a) authorizes special compensation for uniformed services retirees who completed at least 20 years of service creditable for computing the amount of retired pay to which the member is entitled, and who incurred a qualifying combat-related disability. A combat related disability is:

- 1) Any disability rated 10 percent of higher attributable to an injury for which the member was awarded the Purple Heart; or
- 2) a service-connected disability rated at 60 percent or higher as a direct result of armed conflict, while engaged in hazardous service, in the performance of duty under conditions simulating war, or through the instrumentality of war.

**Part II - Justification of Funds Requested**

The amount of the special compensation would be equal to the amount of veteran's disability compensation to which the retiree would be entitled based solely for the combat-related disability without regard to section 5304 and 5305 of title 38, United States Code. This provision is effective no later than 180 days after enactment (start of entitlement June 1 2003 - payable July 1, 2003).

The funding requirement decreases by -\$151.0 million between FY 2004 and FY 2005.

ENLISTED SPECIAL COMPENSATION FOR COMBAT RELATED DISABLED  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 2003 AMOUNT	ESTIMATE FY 2004 AMOUNT	ESTIMATE FY 2005 AMOUNT
SPECIAL COMPENSATION FOR COMBAT RELATED DISABLED.....	\$ 856	\$ 151,000	\$ 0

(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE FY 2005	\$ 753,051
ESTIMATE FY 2004	\$ 1,107,178
ACTUAL FY 2003	\$ 914,888

**Project: Social Security Tax - Employer's Obligation - Enlisted**

**Part I - Purpose and Scope**

The funds requested provide for the employer's tax to the Social Security Administration as required by the Federal Insurance Contribution Act (FICA).

**Part II - Justification of Funds Requested**

The FICA tax is developed by multiplying the total earnings for FICA tax purposes by the applicable percentage. The Old Age, Survivor, and Disability Insurance (OASDI) rate is 6.2 percent and the Hospital Insurance (HI) rate is 1.45 percent. The maximum amount of earnings per individual on which tax is payable are:

Calendar year	OASDI Base	Medicare Base
2003	\$87,000	No upper limit
2004	\$87,900	No upper limit
2005	\$89,700	No upper limit

The social security tax requirement between FY 2004 and FY 2005 are:

- (1) Annualization of the 1 Jan 2004, 4.1% pay raise: +\$7.8 million.
- (2) The 1 Jan 2005, 3.5% pay raise: +\$19.5 million.

Detailed cost computations are provided by the following table:

ENLISTED SOCIAL SECURITY TAX  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 2003			ESTIMATE FY 2004			ESTIMATE FY 2005		
	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT
SOCIAL SECURITY TAX - EMPLOYER'S CONTRIBUTION OF TAX ON BASIC PAY.....	492,599	\$ 1,857.40	\$ 914,953	527,864	\$ 2,097.59	1,107,243	401,647	\$ 1,875.07	\$ 753,116
WAGE CREDITS/SURVIVOR OR DISABILITY BENEFIT.....			\$ 0			\$ 0			\$ 0
LESS NON JUDICIAL FINES AND FORFEITURES.....			\$ 65			\$ 65			\$ 65
TOTAL ENLISTED SOCIAL SECURITY TAX.....	492,599		\$ 914,888	527,864		1,107,178	401,647		\$ 753,051

Schedule of Increases and Decreases  
(Amounts in thousands of dollars)

Pay and Allowance of Cadets

FY 2004 Direct Program \$ 49,760

Increases:

Pricing Increases:

a. Pay Raise	1,441
b. Cost growth for subsistence rate	198
Total Pricing Increases	1,639

Program Increases:

Total Program Increases	0
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Total Increases \$ 1,639

Decreases:

Pricing Decreases:

Total Pricing Decreases	0
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Program Decreases:

Decreased number of Cadets manyears from FY 2004 to FY 2005	-430
Total Program Decreases	-430

Total Decreases \$ -430

FY 2005 Direct Program \$ 50,969



(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE	FY 2005	\$ 50,969
ESTIMATE	FY 2004	\$ 49,760
ACTUAL	FY 2003	\$ 47,352

**Project: Academy Cadets**

**Part I - Purpose and Scope**

The funds requested provide for basic pay and allowances of Academy Cadets and commuted ration allowance under the provisions of 37 U.S.C. 201, 203, and 422. The employer's share of FICA tax as provided by the Federal Insurance Contribution Act (FICA) is included.

**Part II - Justification of Funds Requested**

Section 203(c) of Title 37 U.S.C. was amended by Sec 612 of the FY 2001 National Defense Authorization Act. This amendment, effective 1 October 2001, set the basic pay rate of the Cadet to be "at the monthly rate equal to 35 percent of the basic pay of a commissioned officer in the pay grade O-1 with less than two years of service."

The funding requirement is determined by applying annual rates to the projected manyears. The manyears include authorization for 40 foreign students.

The net change in the funding requirement from FY 2004 to FY 2005 is based on:

- (1) Pay raise increase (basic pay and social security).
- (2) Increased requirement for subsistence.
- (3) Decreased Manyears from FY 2004 to FY 2005.

Detailed cost computations are provided by the following table:

PAY AND ALLOWANCE OF ACADEMY CADETS  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 2003			ESTIMATE FY 2004			ESTIMATE FY 2005		
	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT
(1) BASIC PAY.....	4,000	\$ 9,080	\$ 36,166	4,000	\$ 9,425	\$ 38,077	4,000	\$ 9,759	\$ 39,085
(2) SUBSISTENCE - COMMUTED-RATION									
A. SUBSISTENCE ALLOWANCE.....	4,000	\$ 2,099	8,360	4,000	\$ 2,159	8,722	4,000	\$ 2,208	8,843
B. OPERATIONAL RATIONS.....			46			77			53
(3) SOCIAL SECURITY TAX -									
EMPLOYER CONTRIBUTION.....	4,000	\$ 695	2,780	4,000	\$ 721	2,884	4,000	\$ 747	2,988
TOTAL ACADEMY CADETS.....	4,000		\$ 47,352	4,000		\$ 49,760	4,000		\$ 50,969

Schedule of Increases and Decreases  
(Amounts in thousands of dollars)

Subsistence of Enlisted Personnel

FY 2004 Direct Program \$ 2,917,334

Increases:

Pricing Increases:

a. BAS (3.0 percent, tied to USDA food plan growth)	36,369
b. Subsistence in Messes	2,158
c. Operational Rations	3,253
d. FSSA	43

Total Pricing Increases	41,823
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Program Increases:

a. Reflects the increase associated with the enlisted percent receiving Aug Rats	5,299
b. Reflects the increase associated with the enlisted percent receiving OPRATS (43% increase in myrs)	78,401

Total Program Increases	83,700
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Total Increases \$ 125,523

Decreases:

Pricing Decreases:

Total Pricing Decreases	0
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Program Decreases:

a. Reflects the decrease associated with the enlisted receiving BAS	-251,450
b. Reflects the decrease associated with the enlisted receiving Subsistence in Kind	-1,488,170
c. Reflects the decrease associated with enlisted requiring Family Supplemental Subsistence Allowance	-43

Total Program Decreases	-1,739,663
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Total Decreases \$ -1,739,663

FY 2005 Direct Program \$ 1,303,194

(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE FY 2005	\$ 1,327,634
ESTIMATE FY 2004	\$ 2,949,259
ACTUAL FY 2003	\$ 2,447,094

**Project: Subsistence of Enlisted Personnel**

**Part I - Purpose and Scope**

The funds requested for this budget activity are for the payment of authorized Basic Allowances for Subsistence (BAS) and Subsistence-in-Kind (SIK). Subsistence in this account is for the active duty enlisted soldier. Subsistence-in-Kind includes the cost of procuring subsistence for garrison dining facilities (Subsistence in Messes), operational rations, and augmentation rations. Funded reimbursements include collections from the Army National Guard, Army Reserve, and cash collections from dining facilities. The 2001 National Defense Authorization Act added a Family Subsistence Supplemental Allowance for members with dependents who are food-stamp eligible and make application for such allowance.

**Part II - Justification of Funds Requested**

This budget activity includes the Basic Allowance for Subsistence (BAS) paid to the enlisted soldier. BAS is paid under the following conditions: (1) when authorized to mess separately, (2) while on authorized leave, (3) when subsistence-in-kind is not available, and (4) for the augmentation of commuted ration allowance for meals taken separately.

**Basic Allowance for Subsistence** In FY 1998, the Department of Defense proposed and the Congress enacted reform in the Basic Allowance for Subsistence (BAS) that linked BAS to the Department of Agriculture (DoA) food plan indices. Since FY 2002 rate changes have been tied to the annual USDA food cost index. All enlisted members (except recruits and holdees) are entitled to BAS. Between FY 2004 and FY 2005 BAS costs increase +\$36.4 million.

**Subsistence-In-Kind (SIK)** funds subsistence to feed enlisted soldiers their daily food rations in accordance with Title 10 U.S.C. This program funds meals provided in garrison dining facilities (subsistence in messes), operational rations, and augmentation rations.

**Subsistence-in-Messes** is the cost of bulk subsistence for dining facilities. SIK garrison dining facility budget requirements are dependent on the number of personnel using the dining facilities (participation rate), and the cost of subsistence used in preparing meals (food cost). All CONUS installations and OCONUS installations have converted to the Subsistence Prime Vendor (SPV) program wherein commercial wholesale food distributors sell and deliver subsistence items directly to each dining facility. These commercial distributors replaced a system of government owned and operated depots. Under the SPV program, subsistence prices are more susceptible to market price fluctuations than under the previous depot system.

From FY 2004 to FY 2005 Subsistence-in-Messes costs increase +\$2.2 million due to inflation.

Operational Rations are rations used for field subsistence. Operational rations include Meal-Ready-to Eat (MRE), Unitized Group Rations (UGR) that include "heat and serve" and A-ration varieties, and Cold Weather Rations. SIK funds the cost of operational rations for both officers and enlisted soldiers. The number of active duty soldiers, the type of operational rations served, and the requirements of the training scenarios determine costs for operational rations. From FY 2004 to FY 2005 Operational Rations costs increase +\$3.3 million due to inflation.

Augmentation Rations include contract meals, meals furnished to enlisted soldiers during hospitalization, KATUSA (Korean Augmentation to U.S. Army) rations, and Host Nation support. Contract meals are furnished under contracts approved by competent authority at commercial facilities, which is done when the payment of commuted rations (BAS) would create an individual hardship and/or the costs for establishing a government mess facility are prohibitive. The number of authorized recipients, the type of augmentation ration served, and the quantity requirements determine costs for augmentation rations.

Between FY 2004 and FY 2005 operational rations and augmentation rations increase by \$83.7 million, attributed to cost growth and increased by number of participants.

Family Subsistence Supplemental Allowance (FSSA), pursuant to Section 402a of title 37, United States Code, begins 1 May 2001. It is a new program designed to provide members who are eligible for food stamps a supplemental allowance not to exceed \$500 a month. A members may be eligible if his total household income, including the member's BAH entitlement (even if the member is in quarters) is less than the food-stamp income eligibility ceiling, as defined by the U. S. Department of Agriculture. When a member is in a non-pay status for any reason, the member is not eligible for FSSA during that non-pay period. The FSSA is voluntary, and the member must reapply whenever he experiences a significant change in household income or number of people living in the household.

Between FY 2004 and FY 2005 FSSA allowances have a slight decline based on actual payments.

ENLISTED BASIC ALLOWANCE FOR SUBSISTENCE  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	NUMBER	ACTUAL FY 2003 RATE	AMOUNT	ESTIMATE FY 2004 NUMBER	RATE	AMOUNT	ESTIMATE FY 2005 NUMBER	RATE	AMOUNT
<b>A. BASIC ALLOWANCE FOR SUBSISTENCE</b>									
1. WHEN AUTH TO MESS SEP.....	365,881	\$ 2,909	\$ 1,064,403	357,612	\$ 3,020	\$ 1,080,128	315,180	\$ 3,120	\$ 983,340
2. WHEN RATIONS IN KIND NOT AVAILABLE.....	26,773	\$ 3,149	\$ 84,316	26,758	\$ 3,159	\$ 84,519	21,270	\$ 3,221	\$ 68,504
3. AUGMENTATION OF COMMUTED RATION ALLOW FOR MEALS TAKEN SEP.....	0	\$ 777	\$ 0	0	\$ 0	\$ 0	0	\$ 0	\$ 0
4. LESS COLLNS.....	76,641	\$ 2,538	\$ 194,515	69,676	\$ 2,621	\$ 182,620	91,103	\$ 2,705	\$ 246,434
TOTAL ENLISTED BAS.....	392,654		\$ 954,204	384,370		\$ 982,027	336,450		\$ 805,410
<b>B. SUBSISTENCE-IN-KIND</b>									
1. SUB-IN-MESS									
A. TRAINEE/ NP STATUS...	79,207	\$ 2,523	\$ 199,843	90,580	\$ 2,573	\$ 233,061	31,796	\$ 2,612	\$ 83,056
B. MEM TAKING MEALS IN MESS..	449,290	\$ 2,732	\$ 1,227,236	524,994	\$ 2,786	\$ 1,462,392	68,219	\$ 2,828	\$ 192,919
C. REIMB.....			\$ 29,305			\$ 31,925			\$ 24,440
SUBTOTAL SUB-IN-MESS....	528,497		\$ 1,456,384	615,574		\$ 1,727,378	100,015		\$ 300,415
2. OP RATIONS									
A. MRES.....	2,631	\$ 7,414	\$ 19,506	18,689	\$ 7,540	\$ 140,917	17,561	\$ 7,676	\$ 134,795
B. UNITIZED RATIONS.....	0	\$ 4,642	\$ 0	10,225	\$ 4,721	\$ 48,272	9,607	\$ 4,806	\$ 46,170
C. OTHER PACKAGE OP RATIONS..	1,051	\$ 8,156	\$ 8,572	1,051	\$ 8,294	\$ 8,717	338	\$ 8,443	\$ 2,854
D. REIMB.....			\$ 0			\$ 0			\$ 0
SUBTOTAL OP RATS.....			\$ 28,078			\$ 197,906			\$ 183,819
3. AUG RATS/ OTHER PROG									
A. AUG RATS....			\$ 3,200			\$ 40,368			\$ 9,036
B. OTHER - REGION.....			\$ 881			\$ 0			\$ 27,417
C. OTHER - MESSING.....			\$ 3,035			\$ 0			\$ 0
SUBTOTAL AUG RATS/ OTHER PROG.....			\$ 7,116			\$ 40,368			\$ 36,453
TOTAL SIK.....			\$ 1,491,578			\$ 1,965,652			\$ 520,687
<b>C. FAMILY SUB SUP ALLOW (FSSA)</b>									
TOTAL FSSA.....	596	\$ 2,201	\$ 1,312	697	\$ 2,266	\$ 1,580	659	\$ 2,332	\$ 1,537
<b>TOTAL SUBSISTENCE PROGRAM.....</b>									
LESS REIMBURSABLES.....			\$ 29,305			\$ 31,925			\$ 24,440
TOTAL DIRECT SUBSISTENCE.....			\$ 2,417,789			\$ 2,917,334			\$ 1,303,194

Schedule of Increases and Decreases  
(Amounts in thousands of dollars)

Permanent Change of Station Travel

FY 2004 Direct Program \$ 1,513,755

Increases:

Pricing Increases:

a.	DLA Payraise 3.5%	13,369
b.	Member Travel	2,904
c.	Dependent Travel	4,316
d.	HHG Land/Seas	9,333
e.	HHG Port Handling	425
f.	Trailer	16
g.	POV Port/Sealift	1,240
Total Pricing Increases		31,603

Program Increases:

a.	HHG Land/Seas	37,465
b.	HHG Port Handling	3,517
c.	Trailer	635
Total Program Increases		41,617

Total Increases \$ 73,220

Decreases:

Pricing Decreases:

Total Pricing Decreases	0
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Program Decreases:

a.	Non-Temporary Storage	-9,910
b.	Temporary Lodging Expenses	-110,385
c.	Dislocation Allowance	-297,663
d.	Member Travel	-20,961
e.	Dependent Travel	-50,510
f.	POV Port/Sealift	-24,074
g.	Increase in reimbursable program resulting in decrease direct program.	-44
h.	Miscellaneous	-324
Total Program Decreases		-513,871

Total Decreases \$ -513,871

FY 2005 Direct Program \$ 1,073,104

PCS - SUMMARY OF MOVE REQUIREMENTS  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 2003		ESTIMATE FY 2004		ESTIMATE FY 2005	
	NUMBER	AMOUNT	NUMBER	AMOUNT	NUMBER	AMOUNT
ACCESSIONS TRAVEL.....	82,562	330,795	84,898	307,504	86,309	195,971
TRAINING TRAVEL.....	9,265	57,687	10,422	65,722	8,663	53,235
OPERATIONAL TRAVEL BETWEEN DUTY STATIONS..	21,869	161,995	34,507	353,512	24,743	177,814
ROTATIONAL TRAVEL TO AND FROM OVERSEAS....	60,549	524,490	89,131	447,582	70,176	438,795
SEPARATION TRAVEL.....	75,923	133,546	82,761	166,325	84,091	154,083
TRAVEL OF ORGANIZED UNITS.....	690	4,898	490	3,760	600	3,492
NON-TEMPORARY STORAGE.....		62,877		41,435		31,387
TEMPORARY LODGING EXPENSE.....		73,098		130,000		20,456
 TOTAL OBLIGATIONS.....	 250,858	 1,349,386	 302,209	 1,515,840	 274,582	 1,075,233
 LESS: REIMBURSABLES.....	 	 \$ 3,464	 	 \$ 2,085	 	 \$ 2,129
 TOTAL DIRECT.....	 250,858	 1,345,922	 302,209	 1,513,755	 274,582	 1,073,104



PCS - SUMMARY OF REQUIREMENTS BY TYPES OF COST  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 2003		ESTIMATE FY 2004		ESTIMATE FY 2005	
	NUMBER	AMOUNT	NUMBER	AMOUNT	NUMBER	AMOUNT
TRAVEL OF MILITARY MEMBER						
MILEAGE AND PER DIEM.....	250,858	\$ 175,196	302,209	\$ 98,092	274,582	\$ 86,763
AMC.....	5,125	552	4,546	550	3,602	463
COMMERCIAL AIR.....	101,349	73,661	132,962	90,900	115,864	84,040
TRAVEL OF DEPENDENTS						
MILEAGE.....	154,531	51,950	209,184	76,924	98,267	38,264
AMC.....	22,862	2,485	2,199	273	416	84
COMMERCIAL AIR.....	18,022	10,888	27,138	16,811	14,637	9,499
TRANSPORTATION OF HHG						
LAND SHIPMENT.....	89,393	394,027	92,915	428,447	91,959	419,192
ITGBL SHIPMENT.....	42,783	227,658	31,671	153,816	40,260	211,024
M TONS - MSC.....	0	0	13,344	2,078	0	0
S TONS - AMC.....	0	0	0	0	0	0
DISLOCATION ALLOWANCE.....	221,996	196,104	415,697	382,996	79,863	98,792
TRAILER ALLOWANCE.....	7,903	4,827	1,715	1,228	1,144	1,880
TRANSPORTATION OF POVS.....	17,642	47,545	30,757	68,905	17,267	46,071
PORT HANDLING CHARGES.....		28,518		23,385		27,318
PET QUARANTINE.....	0	0	0	0	0	0
NON-TEMPORARY STORAGE.....		62,877		41,435		31,387
TEMPORARY LODGING EXPENSE.....		73,098		130,000		20,456
TOTAL OBLIGATIONS.....		\$ 1,349,386		\$ 1,515,840		\$ 1,075,233
LESS: REIMBURSABLES.....		\$ 3,464		\$ 2,085		\$ 2,129
TOTAL DIRECT.....		\$ 1,345,922		\$ 1,513,755		\$ 1,073,104

## Section 4

### Permanent Change of Station Travel

#### Purpose and Scope of Work

The funds requested are for expenses incident to Permanent Change of Station (PCS) travel of military personnel. The total requirement is a function of number of moves, entitlements, and rates.

Entitlements for PCS include:

- Mileage and monetary allowances in lieu of transportation for members and dependents
- Transportation by common carrier to include Air Mobility Command (AMC) for members and dependents.
- Transportation of Household Goods (HHG) and baggage by common carrier, AMC, and Military Sealift Command (MSC). Examples include cost of packing, crating, handling, and temporary storage.
- Transportation and storage in lieu of transportation of Privately Owned Vehicles.
- Port handling charges for HHG, baggage, and POVs.
- Transportation of trailers.
- Non-temporary storage of HHG and POVs.
- Dislocation Allowances.
- Temporary Lodging Expenses.
- Pet Quarantine Fees.

The total number of moves is driven by the commitment to station 25 percent of the force overseas and by mandated end strength. All personnel overseas serve prescribed tour lengths as directed by Senate Report 99-176, 1986 DOD Appropriation Bill and House of Representatives Report 99-81, Authorization Bill. Congressional language in these reports establishes 36 month accompanied and 24 month unaccompanied tour lengths unless assigned duty area is designated a hardship area by the Service Secretary.

- The overseas rotational moves account for 17 percent of the Army's total moves program and 38 percent of total PCS costs.
- Accessions and Separations moves comprise 67 percent of total moves and 35 percent of the dollar requirement.
- The remaining move/dollar requirements consist of Operational, Training and Unit moves which equal 16 percent of total moves and 27 percent of dollar requirements. These moves are essential to maintain requisite levels of training, force readiness, quality of life, unit integrity, and support Base Realignment and Closure actions.

The General Accounting Office examined the Army's system of rotating forces overseas and reported to Congress that Army was using the most advantageous system to fill overseas positions.

Congress increased household goods weight allowances for junior enlisted members and raised the maximum amount for TLE, subsistence, per diem rates, and reimbursable during a permanent change of station.

- 1.3% inflation costs.
- Authorized pay raise of 3.5% increases Dislocation Allowance costs.
- Decreases moves primarily reflecting FY 2004 GWOT costs.
- Non-Temporary Storage and Temporary Lodge Expense Allowance decreases.

(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE FY 2005	\$ 195,971
ESTIMATE FY 2004	\$ 307,504
ACTUAL FY 2003	\$ 330,795

**Project: Accession Travel**

**Part I - Purpose and Scope**

Officers. Covers PCS movements of (1) officers appointed to a commissioned grade from civilian life, military academies, ROTC, and Army Reserve and National Guard officers called or recalled to extended duty from home or place where orders were received to first permanent duty station or training school of 20 weeks or more duration and (2) new permanent duty station or training school. Also included are officers appointed from enlisted status upon graduation from OCS. This category also includes travel to/from schools less than 20 weeks duration when they precede completion of travel to the new permanent duty station or training school in excess of 20 weeks.

Enlisted. Covers PCS movements of (1) enlistees and prior service personnel from recruiting station or place of enlistment to their first permanent duty station or training school of 20 weeks or more duration and (2) recalled enlisted reservists from home to first permanent duty station or training school of 20 weeks or more duration. Also includes travel to/from schools less than 20 weeks when they precede completion of travel to the new permanent duty station or training school in excess of 20 weeks.

Cadets. Funds PCS movements of (1) individuals selected as academy cadets upon entry into the academy and (2) individuals who travel to the academies but fail to pass the entrance physical examinations and are required to return home.

**Part II - Justification of Funds Requested**

Accession estimates are based upon the officer, enlisted and cadet gains necessary to meet the Army's planned manpower levels through FY 2005.

Changes to this program can only be accommodated through adjustments in officer, enlisted or cadet strengths. Changes in move numbers between fiscal years reflect adjustments required to meet the Army's projected end strengths.

Inflation, DWCF rates, and pay raise all impact on the cost per move.

The following table provides detailed cost computations:

PCS ACCESSION TRAVEL  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 2003			ESTIMATE FY 2004			ESTIMATE FY 2005		
	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT
OFFICER									
MEMBER TRAVEL.....	7,250	\$ 720	\$ 5,221	7,313	\$ 731	\$ 5,349	7,337	\$ 743	\$ 5,452
DEPENDENT TRAVEL.....	3,408	392	1,335	2,201	464	1,021	2,201	473	1,040
TRANSPORTATION OF HHG									
- LAND & ITGBL.....	4,295	3,948	16,957	4,332	3,999	17,325	6,141	4,059	24,926
- OVERSEAS (AMC & MSC).....	0	0	0	0	0	0	0	0	0
DISLOCATION ALLOWANCE.....	4,353	1,883	8,198	11,704	1,953	22,859	1,467	2,021	2,965
TRAILER ALLOWANCE.....	1	574	1	804	582	468	1	589	1
PRIVATELY OWNED VEHICLE									
- MIL. SEALIFT COMMAND.....	0	0	0	0	52	0	0	53	0
- PORT HANDLING (MTMC).....	438	1,991	872	442	2,025	895	440	2,061	907
PORT HANDLING (HHG).....	1,366	82	112	1,378	83	114	1,379	85	117
PET QUARANTINE.....	0	0	0	0	0	0	0	0	0
SUBTOTAL.....			\$ 32,696			\$ 48,031			\$ 35,408
CADETS.....	1,311	\$ 709	\$ 929	1,336	\$ 750	\$ 1,002	1,162	\$ 764	\$ 887

PCS ACCESSION TRAVEL  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 2003			ESTIMATE FY 2004			ESTIMATE FY 2005		
	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT
ENLISTED									
MEMBER TRAVEL.....	74,001	\$ 2,022	\$ 149,623	76,249	\$ 722	\$ 55,036	77,810	\$ 733	\$ 57,035
DEPENDENT TRAVEL.....	55,501	169	9,389	75,487	201	15,137	19,453	246	4,781
TRANSPORTATION OF HHG									
- LAND & ITGBL.....	24,135	3,204	77,318	25,121	3,243	81,471	25,678	3,286	84,387
- OVERSEAS (AMC & MSC).....	0	0	0	13,344	156	2,078	0	0	0
DISLOCATION ALLOWANCE.....	88,811	500	44,406	176,898	519	91,722	778	537	418
TRAILER ALLOWANCE.....	7,408	574	4,255	419	582	244	8	589	5
PRIVATELY OWNED VEHICLE									
- MIL. SEALIFT COMMAND.....	0	0	0	0	52	0	0	53	0
- PORT HANDLING (MTMC).....	6,064	1,991	12,073	6,248	2,025	12,651	6,264	2,061	12,912
PORT HANDLING (HHG).....	2,060	51	106	2,122	62	132	2,179	63	138
PET QUARANTINE.....	0	0	0	0	0	0	0	0	0
SUBTOTAL.....			\$ 297,170			\$ 258,471			\$ 159,676
TOTAL PCS ACCESSION TRAVEL.....			\$ 330,795			\$ 307,504			\$ 195,971

(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE	FY 2005	\$ 53,235
ESTIMATE	FY 2004	\$ 65,722
ACTUAL	FY 2003	\$ 57,687

**Project: Training Travel**

**Part I - Purpose and Scope**

Officers. Funds CONUS PCS movements for officers and warrant officers (1) from current permanent duty station to formal service or civilian schools, including technical schools, pilot training, factory training, and other approved courses of instruction of 20 weeks duration or more, and (2) to next CONUS permanent duty station upon completion of school or when eliminated from school prior to completion. Excludes academy graduates, OCS graduates, ROTC graduates, and others (chargeable as Accession travel) and those officers and warrant officers who are moving into and out of a training seat from/to an overseas location (chargeable as Rotational travel).

Enlisted. Funds PCS movements of (1) enlisted personnel from previous CONUS permanent duty station to formal service or civilian schools, including technical schools, aircraft maintenance training, factory training, and other approved courses of instruction, of 20 weeks duration or more; (2) enlisted school graduates and those eliminated from school to their next CONUS permanent duty station; and (3) enlisted personnel ordered to training leading to a commission, if such training period is of 20 weeks duration or more. Excludes those soldiers moving in or out of a training seat to or from an overseas location (chargeable as Rotational travel).

**Part II - Justification of Funds Requested**

Costs for training travel are based upon requirements for officer and enlisted personnel to attend military, other federal government, and civilian training programs.

Training is required to maintain the requisite skill levels/educational levels required by an Army that is capable of responding to strategic obligations in the evolving international environment. Training moves support the requirement to shape the force for tomorrow and the Army's duty to prepare soldiers to perform their required mission. Through training moves the Army is provided with soldiers trained in aviation, medical specialties, linguistics, force modernization, leadership skills, and Special Forces operations.

The following table provides detailed cost computations:

PCS TRAINING TRAVEL  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	NUMBER	ACTUAL FY 2003 RATE	AMOUNT	NUMBER	ESTIMATE FY 2004 RATE	AMOUNT	NUMBER	ESTIMATE FY 2005 RATE	AMOUNT
OFFICER									
MEMBER TRAVEL									
MILEAGE AND PER DIEM.....	6,960	\$ 673	\$ 4,684	7,716	\$ 684	\$ 5,281	5,785	\$ 697	\$ 4,031
DEPENDENT TRAVEL									
MILEAGE DEPENDENTS.....	5,220	483	2,521	5,787	491	2,842	4,339	500	2,169
TRANSPORTATION OF HHG									
LAND SHIPMENT.....	5,220	5,564	29,042	5,787	5,636	32,616	4,339	5,709	24,773
DISLOCATION ALLOWANCE.....	6,960	1,940	13,500	7,716	2,011	15,520	5,785	2,082	12,043
TRAILER ALLOWANCE.....	0	574	0	0	582	0	0	589	0
SUBTOTAL.....			\$ 49,747			\$ 56,259			\$ 43,016
ENLISTED									
MEMBER TRAVEL									
MILEAGE AND PER DIEM.....	2,305	\$ 193	\$ 445	2,706	\$ 196	\$ 531	2,878	\$ 200	\$ 574
DEPENDENT TRAVEL									
MILEAGE DEPENDENTS.....	1,729	834	1,442	2,030	848	1,721	2,159	863	1,864
TRANSPORTATION OF HHG									
LAND SHIPMENT.....	1,383	4,061	5,616	1,624	4,114	6,681	1,727	4,167	7,197
DISLOCATION ALLOWANCE.....	854	500	427	1,001	519	519	1,065	537	572
TRAILER ALLOWANCE.....	17	574	10	19	582	11	20	589	12
SUBTOTAL.....			\$ 7,940			\$ 9,463			\$ 10,219
TOTAL PCS									
TRAINING TRAVEL.....			\$ 57,687			\$ 65,722			\$ 53,235



(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE	FY 2005	\$ 177,814
ESTIMATE	FY 2004	\$ 353,512
ACTUAL	FY 2003	\$ 161,995

**Project: Operational Travel**

**Part I - Purpose and Scope**

Officers. Covers PCS movements of (1) officers and warrant officers to and from permanent duty stations located within the United States; (2) officers and warrant officers to and from permanent duty stations located within an overseas area when no transoceanic travel is involved; and (3) dependents, household goods, personal effects, trailer allowances, and privately owned vehicles of officers and warrant officers who are interned, missing, or captured provided no transoceanic travel is involved.

Enlisted. Covers PCS movements of (1) enlisted personnel to and from permanent duty stations located within the United States; (2) enlisted personnel to and from permanent duty stations within an overseas area when no transoceanic travel is involved; and (3) dependents, household goods, personal effects, trailer allowances, and privately owned vehicles of enlisted personnel who are interned, missing, or captured provided no transoceanic travel is involved.

**Part II - Justification of Funds Requested**

Operational moves are critical to the Army's ability to maintain readiness throughout the force. They are necessary to maintain units at required personnel readiness levels; support activations and inactivations; fill joint duty positions mandated under the Goldwater-Nichols DOD Reorganization Act of 1986; correct imbalances of skill and grade; support humanitarian, compassionate, and joint domicile needs; assign personnel to key positions in response to unprogrammed/unanticipated requirements, support Base Realignment and Closure actions and to fill high priority units.

The following table provides detailed cost computations:

PCS OPERATIONAL TRAVEL  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	NUMBER	ACTUAL FY 2003 RATE	AMOUNT	NUMBER	ESTIMATE FY 2004 RATE	AMOUNT	NUMBER	ESTIMATE FY 2005 RATE	AMOUNT
OFFICER									
MEMBER TRAVEL									
MILEAGE AND PER DIEM.....	6,805	\$ 683	\$ 4,647	8,730	\$ 694	\$ 6,062	8,322	\$ 707	\$ 5,883
DEPENDENT TRAVEL									
MILEAGE DEPENDENTS.....	5,277	592	3,124	17,460	602	10,512	6,408	613	3,927
TRANSPORTATION OF HHG									
LAND SHIPMENT.....	5,444	8,937	48,654	6,984	9,053	63,229	6,658	9,171	61,061
DISLOCATION ALLOWANCE.....	8,465	2,475	20,949	26,787	2,566	68,745	6,916	2,656	18,370
TRAILER ALLOWANCE.....	0	574	0	0	582	0	0	589	0
SUBTOTAL.....			\$ 77,374			\$ 148,548			\$ 89,241
ENLISTED									
MEMBER TRAVEL									
MILEAGE AND PER DIEM.....	15,064	\$ 633	\$ 9,540	25,777	\$ 644	\$ 16,603	16,421	\$ 656	\$ 10,767
DEPENDENT TRAVEL									
MILEAGE DEPENDENTS.....	10,357	639	6,619	31,335	650	20,367	11,289	662	7,470
TRANSPORTATION OF HHG									
LAND SHIPMENT.....	10,244	4,805	49,224	17,528	4,868	85,319	11,166	4,931	55,058
DISLOCATION ALLOWANCE.....	21,090	908	19,158	87,654	942	82,570	15,600	975	15,210
TRAILER ALLOWANCE.....	139	574	80	180	582	105	115	589	68
SUBTOTAL.....			\$ 84,621			\$ 204,964			\$ 88,573
TOTAL PCS									
OPERATIONAL TRAVEL.....			\$ 161,995			\$ 353,512			\$ 177,814

(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE FY 2005	\$ 438,795
ESTIMATE FY 2004	\$ 447,582
ACTUAL FY 2003	\$ 524,490

**Project: Rotational Travel**

**Part I - Purpose and Scope**

Officers. Covers PCS movements of officers and warrant officers (1) from permanent duty stations in CONUS to permanent duty stations overseas; (2) from permanent duty stations overseas to permanent duty stations in CONUS; (3) from permanent duty stations in one overseas area to permanent duty stations in another overseas area, but only when transoceanic travel is involved; and (4) dependents, household goods, personal effects, trailer allowance, and privately owned vehicles of officers and warrant officers who are interned, missing, or captured, but only when transoceanic travel is involved.

Enlisted. Covers PCS movements of enlisted personnel (1) from permanent duty stations in CONUS to permanent duty stations overseas; (2) from permanent duty stations overseas to permanent duty stations in CONUS; (3) from permanent duty stations overseas to permanent duty stations in another overseas area, but only when transoceanic travel is involved; and (4) dependents, household goods, personal effects, trailer allowances, and privately owned vehicles of enlisted personnel who are interned, missing, or captured, but only when transoceanic travel is involved.

**Part II - Justification of Funds Requested**

Rotational moves are driven by the commitment to station 25% of the force overseas in support of the National Military Strategy. The number of moves required is determined by overseas end strength and the average time actually served overseas, less the number of overwater Accession, Separation, and Unit moves.

The General Accounting Office (GAO) examined the Army's system of rotating soldiers to and from Europe. In their 1993 report to Congress GAO concluded that Army was using the most advantageous system to fill overseas positions.

PCS ROTATIONAL TRAVEL  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 2003			ESTIMATE FY 2004			ESTIMATE FY 2005		
	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT
OFFICER									
MEMBER TRAVEL.....	10,667	\$ 1,407	\$ 15,012	11,276	\$ 1,400	\$ 15,790	10,603	\$ 1,422	\$ 15,078
DEPENDENT TRAVEL.....	15,682	658	10,315	13,926	642	8,934	7,316	774	5,661
TRANSPORTATION OF HHG									
- LAND & ITGBL.....	10,668	9,976	106,422	4,787	10,175	48,708	8,086	10,244	82,834
- OVERSEAS (AMC & MSC).....	0	0	0	0	0	0	0	0	0
DISLOCATION ALLOWANCE.....	15,469	2,187	33,831	14,904	2,268	33,802	7,316	2,347	17,174
TRAILER ALLOWANCE.....	214	1,916	410	169	1,941	328	875	1,966	1,720
PRIVATELY OWNED VEHICLE									
- MIL. SEALIFT COMMAND.....	0	0	0	0	0	0	0	0	0
- PORT HANDLING (MTMC).....	6,934	3,750	26,000	4,281	3,813	16,325	5,590	3,882	21,700
PORT HANDLING (HHG).....	5,339	172	916	4,510	175	787	4,099	178	728
PET QUARANTINE.....	0	0	0	0	0	0	0	0	0
SUBTOTAL.....			\$ 192,906			\$ 124,674			\$ 144,895

PCS ROTATIONAL TRAVEL  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 2003			ESTIMATE FY 2004			ESTIMATE FY 2005		
	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT
ENLISTED									
MEMBER TRAVEL.....	49,882	\$ 719	\$ 35,885	77,855	\$ 749	\$ 58,286	59,573	\$ 760	\$ 45,268
DEPENDENT TRAVEL.....	37,511	686	25,746	38,928	723	28,154	22,638	680	15,397
TRANSPORTATION OF HHG									
- LAND & ITGBL.....	49,884	3,777	188,388	31,922	3,739	119,352	45,276	3,875	175,460
- OVERSEAS (AMC & MSC).....	0	0	0	0	0	0	0	0	0
DISLOCATION ALLOWANCE.....	74,823	720	53,889	88,102	747	65,800	40,510	773	31,314
TRAILER ALLOWANCE.....	60	567	34	61	574	35	57	596	34
PRIVATELY OWNED VEHICLE									
- MIL. SEALIFT COMMAND.....	0	0	0	0	0	0	0	0	0
- PORT HANDLING (MTMC).....	998	1,904	1,900	16,012	1,936	31,002	1,135	1,971	2,237
PORT HANDLING (HHG).....	24,942	1,032	25,742	19,320	1,050	20,279	22,638	1,069	24,190
PET QUARANTINE.....	0	0	0	0	0	0	0	0	0
SUBTOTAL.....			\$ 331,584			\$ 322,908			\$ 293,900
TOTAL PCS									
ROTATIONAL TRAVEL.....			\$ 524,490			\$ 447,582			\$ 438,795

(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE	FY 2005	\$ 154,083
ESTIMATE	FY 2004	\$ 166,325
ACTUAL	FY 2003	\$ 133,546

**Project: Separation Travel**

**Part I - Purpose and Scope**

Officers. Covers PCS movements of officers and warrant officers upon separation from the service from their last permanent duty station to their home of record, point of entry into service, or to their home of selection when authorized by law.

Enlisted. Covers PCS movements of enlisted personnel upon separation from the service from last permanent duty station to their home of record, point of entry into service, or to their home of selection when authorized by law.

Cadets. Covers PCS movements of cadets separated from the academy to their home of record or point of entry into service.

**Part II - Justification of Funds Requested**

Separations are based on projected personnel losses.

Detailed cost computations are provided in the following table:

PCS SEPARATION TRAVEL  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 2003			ESTIMATE FY 2004			ESTIMATE FY 2005		
	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT
OFFICER									
MEMBER TRAVEL.....	6,247	\$ 259	\$ 1,620	7,650	\$ 263	\$ 2,012	7,768	\$ 267	\$ 2,074
DEPENDENT TRAVEL.....	4,998	154	772	6,120	157	961	6,214	160	995
TRANSPORTATION OF HHG									
- LAND & ITGBL.....	2,761	6,075	16,774	3,554	6,147	21,846	3,643	6,235	22,715
- OVERSEAS (AMC & MSC).....	0	0	0	0	0	0	0	0	0
TRAILER ALLOWANCE.....	0	574	0	0	582	0	0	589	0
PRIVATELY OWNED VEHICLE									
- MIL. SEALIFT COMMAND.....	0	0	0	0	52	0	0	53	0
- PORT HANDLING (MTMC).....	1,249	2,242	2,800	1,530	2,280	3,488	1,554	2,321	3,607
PORT HANDLING (HHG).....	410	839	344	502	853	428	513	869	446
PET QUARANTINE.....	0	0	0	0	0	0	0	0	0
SUBTOTAL.....			\$ 22,310			\$ 28,735			\$ 29,837
CADETS.....	374	\$ 995	\$ 372	323	\$ 1,011	\$ 327	182	\$ 1,030	\$ 187

PCS SEPARATION TRAVEL  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 2003			ESTIMATE FY 2004			ESTIMATE FY 2005		
	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT
ENLISTED									
MEMBER TRAVEL.....	69,302	\$ 300	\$ 20,761	74,788	\$ 304	\$ 22,727	76,141	\$ 308	\$ 23,468
DEPENDENT TRAVEL.....	14,553	263	3,832	15,705	267	4,192	15,990	271	4,340
TRANSPORTATION OF HHG									
- LAND & ITGBL.....	17,597	4,606	81,046	22,564	4,615	104,125	19,035	4,718	89,813
- OVERSEAS (AMC & MSC).....	0	0	0	0	0	0	0	0	0
TRAILER ALLOWANCE.....	47	574	27	51	582	30	53	589	31
PRIVATELY OWNED VEHICLE									
- MIL. SEALIFT COMMAND.....	0	0	0	0	52	0	0	53	0
- PORT HANDLING (MTMC).....	1,959	1,991	3,900	2,244	2,025	4,544	2,284	2,061	4,708
PORT HANDLING (HHG).....	4,851	268	1,298	5,254	313	1,645	5,330	319	1,699
PET QUARANTINE.....	0	0	0	0	0	0	0	0	0
SUBTOTAL.....			\$ 110,864			\$ 137,263			\$ 124,059
TOTAL PCS SEPARATION TRAVEL.....			\$ 133,546			\$ 166,325			\$ 154,083



(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE	FY 2005	\$ 3,492
ESTIMATE	FY 2004	\$ 3,760
ACTUAL	FY 2003	\$ 4,898

**Project: Travel of Organized Units**

**Part I - Purpose and Scope**

Officers. Covers PCS movements (CONUS or overseas), of (1) officers and warrant officers directed to move as members of an organized unit movement and (2) officer and warrant officer fillers and replacements directed to move as part of the unit move.

Enlisted. Covers PCS movements (CONUS or overseas), of (1) enlisted personnel directed to move as members of an organized unit movement and (2) enlisted fillers and replacements directed to move as part of the unit move.

**Part II - Justification of Funds Requested**

Unit moves are required to support changes in force structure that necessitate realignment of forces to correct imbalances of support/command/control units, and to maintain unit tactical integrity. Costs are based on point-to-point unit moves. The numbers of unit moves are cyclical as the Army repositions the force structure in response to an evolving global focus, and the fielding of new equipment/units.

The following table provides detailed cost computations:

PCS ORGANIZED UNIT TRAVEL  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	NUMBER	ACTUAL FY 2003 RATE	AMOUNT	NUMBER	ESTIMATE FY 2004 RATE	AMOUNT	NUMBER	ESTIMATE FY 2005 RATE	AMOUNT
OFFICER									
MEMBER TRAVEL									
MILEAGE AND PER DIEM.....	190	\$ 148	\$ 28	90	\$ 150	\$ 14	200	\$ 153	\$ 31
DEPENDENT TRAVEL									
MILEAGE DEPENDENTS.....	95	589	56	45	599	27	100	610	61
TRANSPORTATION OF HHG									
LAND SHIPMENT.....	150	4,267	640	71	4,322	307	158	4,378	692
DISLOCATION ALLOWANCE.....	171	1,926	329	171	1,997	342	142	2,067	294
TRAILER ALLOWANCE.....	5	574	3	2	582	1	5	589	3
PET QUARANTINE.....	0	0	0	0	0	0	0	0	0
SUBTOTAL.....			\$ 1,056			\$ 691			\$ 1,081
ENLISTED									
MEMBER TRAVEL									
MILEAGE AND PER DIEM.....	500	\$ 1,283	\$ 642	400	\$ 1,305	\$ 522	400	\$ 1,328	\$ 531
DEPENDENT TRAVEL									
MILEAGE DEPENDENTS.....	200	858	172	160	872	140	160	888	142
TRANSPORTATION OF HHG									
LAND SHIPMENT.....	395	4,062	1,604	312	4,115	1,284	312	4,168	1,300
DISLOCATION ALLOWANCE.....	1,000	1,417	1,417	760	1,469	1,117	284	1,521	432
TRAILER ALLOWANCE.....	12	574	7	10	582	6	10	589	6
PET QUARANTINE.....	0	0	0	0	0	0	0	0	0
SUBTOTAL.....			\$ 3,842			\$ 3,069			\$ 2,411
TOTAL PCS ORGANIZED UNIT TRAVEL.....			\$ 4,898			\$ 3,760			\$ 3,492

PCS - NON-TEMPORARY STORAGE  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 2003 AMOUNT	ESTIMATE FY 2004 AMOUNT	ESTIMATE FY 2005 AMOUNT
NON-TEMPORARY STORAGE.....	\$ 62,877	\$ 41,435	\$ 31,387
TEMPORARY LODGING EXPENSE.....	73,098	130,000	20,456
TOTAL OBLIGATIONS.....	\$ 1,349,386	\$ 1,515,840	\$ 1,075,233
LESS: REIMBURSABLE OBLIGATIONS.....	3,464	2,085	2,129
TOTAL DIRECT OBLIGATIONS.....	\$ 1,345,922	\$ 1,513,755	\$ 1,073,104

Schedule of Increases and Decreases  
(Amounts in thousands of dollars)

Other Military Personnel Costs

FY 2004 Direct Program \$ 267,468

Increases:

Pricing Increases:

a.	Apprehension of Deserters	10
	Total Pricing Increases	10

Program Increases:

a.	Mass Transit Subsidy (MTS)	6
	Total Program Increases	6

Total Increases \$ 16

Decreases:

Pricing Decreases:

a.	Unemployment Benefits	-4,605
	Total Pricing Decreases	-4,605

Program Decreases:

a.	Apprehension of Deserters	-193
b.	Death Gratuities Officers	-20,472
c.	Death Gratuities Enlisted	-28,620
d.	Death Gratuities Cadets	-12
e.	Unemployment Compensation	-102,429
f.	Survivors Benefits (REPS)	-421
g.	Adoption	-4
h.	Miscellaneous	-2
i.	Special Compensation	-9,200
	Total Program Decreases	-161,353

Total Decreases \$ -165,958

FY 2005 Direct Program \$ 101,526

(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE	FY 2005	\$ 615
ESTIMATE	FY 2004	\$ 797
ACTUAL	FY 2003	\$ 1,823

**Project: Apprehension of Deserters**

**Part I - Purpose and Scope**

The funds requested provide for expenses in connection with the apprehension of deserters, absentees, and escaped military prisoners and for their delivery to the control of the Department of Defense. Included is the cost of detention and subsistence furnished during the period a military member is detained in civil confinement for safekeeping when so requested by military authority, cost of reimbursement for expenses incurred (not to exceed \$75.00 in either case), and cost of transportation, lodging, and subsistence of an escort guard.

**Part II - Justification of Funds Requested**

Cost estimates are based on factors developed from current expenditure experience as applied against programmed manyears.

Detailed cost computations are provided by the following table:

OTHER MILITARY PERSONNEL COSTS  
APPREHENSION OF DESERTERS  
(AMOUNTS IN THOUSANDS OF DOLLARS)

ACTUAL FY 2003

ESTIMATE FY 2004

ESTIMATE FY 2005

TRAVEL AND OTHER EXPENSES INCIDENT TO THE  
APPREHENSION AND DELIVERY OF DESERTERS,  
PRISONERS AND SOLDIERS AWOL INCLUDING  
PAYMENT OF CONFINEMENT OF MILITARY  
PRISONERS IN NON-MILITARY FACILITIES

\$ 1,823

\$ 797

\$ 615

(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE	FY 2005	\$ 202
ESTIMATE	FY 2004	\$ 202
ACTUAL	FY 2003	\$ 1,131

**Project: Interest on Soldier's Deposit**

**Part I - Purpose and Scope**

The National Defense Authorization Act for FY 1992 and FY 1993, Section 639 amends Section 1035 of Title 10 U.S.C. This section establishes a savings program for overseas members participating in temporary duty contingency operations. Precedence from Vietnam indicates that the Department of the Army will be required to fund the difference between ten percent paid and the average Treasury Bill rates.

**Part II - Justification of Funds Requested**

The amount budgeted is based on current experience in relation to the number of Army participants.

Detailed cost computations are provided by the following table:

OTHER MILITARY PERSONNEL COSTS  
INTEREST ON SOLDIERS' DEPOSIT  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 2003			ESTIMATE FY 2004			ESTIMATE FY 2005		
	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT
INTEREST ON SOLDIERS' DEPOSIT									
OFFICER.....	1,236	\$ 296	\$ 366	327	\$ 296	\$ 97	329	\$ 296	\$ 97
ENLISTED.....	4,967	154	765	683	154	105	682	154	105
TOTAL.....	6,203		\$ 1,131	1,010		\$ 202	1,011		\$ 202



(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE FY 2005	\$ 6,768
ESTIMATE FY 2004	\$ 55,872
ACTUAL FY 2003	\$ 26,472

**Project: Death Gratuities**

**Part I - Purpose and Scope**

The funds requested are for the payment of death gratuities to beneficiaries of deceased military personnel as authorized by law. Death gratuities are composed of basic pay, incentive pay, and overseas pay, if applicable. The National Defense Authorization Act for FY 2004 and FY 2005, section 647, amends Section 1478(a) of Title 10 U.S.C., increasing the maximum amount payable to \$12,000.

**Part II - Justification of Funds Requested**

Fund requirements are based on the most recent mortality rates as applied against programmed manyears of personnel and the statutory gratuity payment.

Detailed cost computations are provided by the following table:

OTHER MILITARY PERSONNEL COSTS  
DEATH GRATUITIES  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	NUMBER	ACTUAL FY 2003 RATE	AMOUNT	NUMBER	ESTIMATE FY 2004 RATE	AMOUNT	NUMBER	ESTIMATE FY 2005 RATE	AMOUNT
DEATH GRATUITIES									
OFFICER.....	2,062	\$ 6,000	\$ 12,372	1,917	\$ 12,000	\$ 23,004	211	\$ 12,000	\$ 2,532
ENLISTED.....	2,347	6,000	14,082	2,736	12,000	32,832	351	12,000	4,212
CADETS.....	3	6,000	18	3	12,000	36	2	12,000	24
TOTAL.....	4,412		\$ 26,472	4,656		\$ 55,872	564		\$ 6,768

(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE FY 2005	\$ 78,595
ESTIMATE FY 2004	\$ 185,629
ACTUAL FY 2003	\$ 129,319

**Project: Unemployment Benefits Paid to Ex-Service Members**

**Part I - Purpose and Scope**

Funds are to pay unemployment benefits to ex-service members who are discharged or released under honorable conditions as prescribed in Paragraph (1) of Section 8521(a) of Title 5, United States Code. The Department of Labor is the executive agency for the program; however, program administration is accomplished by each state. Generally, an ex-servicemember is eligible if discharged or released under honorable conditions, and member completed his first full term of active service. Also eligible is one who was discharged or released before completing first term of service for the convenience of the Government, because of medical disqualification, hardship, personal disorders or ineptitude, but only if the service was continuous for 365 days or more.

The Emergency Unemployment Compensation Act of 1991 (P.L. 102-164) extended unemployment compensation benefits for former military personnel up to 26 weeks with a one-week waiting period. The law also reduced the amount of active duty days required in a reserve status from 180 continuous days to 90 continuous days to be considered as "federal service" for claim purposes. The Job Creation and Worker Assistance Act of 2002 (P.L. 107-147) extended unemployment compensations benefits an additional 13 weeks for workers who had exhausted the original 26 weeks of benefits. The Temporary Extended Unemployment Compensation (TEUC) Act of 2002 (P.L. 108-1) extends the unemployment compensations benefits an additional 5 months for workers who had exhausted the original 26 weeks and the TEUC of 13 weeks.

**Part II - Justification of Funds Requested**

The estimated unemployment benefit payments are based on programmed separations from the Army's manpower program and average monthly benefit amounts of compensation actually disbursed in FY 2003.

Detailed cost computations are provided by the following table:

OTHER MILITARY PERSONNEL COSTS  
 UNEMPLOYMENT BENEFITS PAID TO EX-SERVICE MEMBERS  
 (AMOUNTS IN THOUSANDS OF DOLLARS)

	NUMBER	ACTUAL FY 2003 RATE	AMOUNT	NUMBER	ESTIMATE FY 2004 RATE	AMOUNT	NUMBER	ESTIMATE FY 2005 RATE	AMOUNT
UNEMPLOYMENT BENEFITS									
OFFICER.....	0	\$ 0	\$ 0	0	\$ 0	\$ 0	0	\$ 0	\$ 0
ENLISTED.....	25,547	5,062	\$ 129,319	32,430	5,724	\$ 185,629	14,080	5,582	\$ 78,595
TOTAL.....	25,547		\$ 129,319	32,430		\$ 185,629	14,080		\$ 78,595

(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE	FY 2005	\$ 4,098
ESTIMATE	FY 2004	\$ 4,519
ACTUAL	FY 2003	\$ 5,004

**Project: Survivor Benefits**

**Part I - Purpose and Scope**

Funds are requested to provide for payments of restored social security and educational benefits to widows and orphans of deceased Army military personnel. Section 156 of Public Law 97-37, modified by Section 943 of the DOD Authorization Act, 1984, P.L. 98-94, Stat. 614, restored these Social Security benefits to survivors of military members and directed the Department of Defense to budget for this requirement. Cost estimates from the Department of Veterans Affairs include P.L. 106-419, Subtitle B, Survivor's and Dependent's Educational Assistance, Sec 111, Reinstatement Entitlement Program for Survivor's (REPS).

**Part II - Justification of Funds Requested**

Cost estimates from the Department of Veterans Affairs are based on average benefit payments and caseload for spouses and children in school.

The latest Department of Veterans Affairs cost estimates are provided in the following table:

OTHER MILITARY PERSONNEL COSTS  
SURVIVOR BENEFITS  
(AMOUNTS IN THOUSANDS OF DOLLARS)

ACTUAL FY 2003

ESTIMATE FY 2004

ESTIMATE FY 2005

SURVIVOR BENEFIT COSTS.....

\$ 5,004

\$ 4,519

\$ 4,098

(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE FY 2005	\$ 4,268
ESTIMATE FY 2004	\$ 4,268
ACTUAL FY 2003	\$ 22,000

**Project: Educational Benefits**

**Part I - Purpose and Scope**

This program is budgeted on an accrual basis by the Department of Defense. The DOD Board of Actuaries establishes per capita normal costs and amortization rates for each fiscal year. Actual benefit payments to individuals will be made by the Department of Veterans Affairs from funds transferred from the Trust Fund account.

The 1999 Strom Thurmond National Defense Authorization Act increased the maximum amount of educational benefits authorized to \$50,000. Beginning in FY 2000 OSD realigned funding for the College Fund to BA2 Enlisted Pay in order to enhance recruiting efforts. The amortization payment along with the post-Vietnam era voluntary and involuntary separatees costs remain in BA6.

Under 10 U.S.C. Sec 2006(f)(3, 4); (g)(2), the Secretary of Defense must determine an amortization methodology and schedule to liquidate any unfunded liability or surplus in the Fund, based on the most recent actuarial valuation. Also, the basic benefits of post-Vietnam era voluntary and involuntary separatees are not prefunded. The amortization payment for these benefits is based on the most recent valuation of the DOD Education Benefits Fund.

**PART II - Justification of Funds Requested**

From FY 2004 to FY 2005 funding remains stable.

The following table provides detailed cost computations:

OTHER MILITARY PERSONNEL COSTS  
EDUCATIONAL BENEFITS (AMORTIZATION PAYMENTS)  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 2003	ESTIMATE FY 2004	ESTIMATE FY 2005
	AMOUNT	AMOUNT	AMOUNT
INVOLUNTARY SEPARATEES.....	4,067	4,268	4,268
UNFUNDED LIABILITY.....	17,933	0	0
TOTAL AMORTIZATION PAYMENTS.....	\$ 22,000	\$ 4,268	\$ 4,268



(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE	FY 2005	\$ 248
ESTIMATE	FY 2004	\$ 252
ACTUAL	FY 2003	\$ 163

**Project: Adoption Costs**

**Part I - Purpose and Scope**

Section 651 of the National Defense Authorization Act for FY 1992 and FY 1993 permanently established the adoption program to reimburse service members for adoption expenses of a child under the age of 18 years.

**Part II - Justification of Funds Required**

The average amount payable is \$2,000 per adoption. Expenses include public and private agency fees; legal fees; medical expenses associated with the child, biological mother, and adoptive parents; temporary foster care; and other expenses approved by the Department of Defense.

Detailed cost computations are provided by the following table:

OTHER MILITARY PERSONNEL COSTS  
ADOPTION EXPENSES  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	NUMBER	ACTUAL FY 2003 RATE	AMOUNT	NUMBER	ESTIMATE FY 2004 RATE	AMOUNT	NUMBER	ESTIMATE FY 2005 RATE	AMOUNT
ADOPTION EXPENSES.....	81	\$ 2,010	\$ 163	126	\$ 2,000	\$ 252	124	\$ 2,000	\$ 248

(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE FY 2005	\$ 0
ESTIMATE FY 2004	\$ 9,200
ACTUAL FY 2003	\$ 32,572

**Project: Special Compensation**

**Part I - Purpose and Scope**

Section 658 of the FY 2000 National Defense Authorization Act (P.L. 106-65) provided a new element of compensation for certain severely disabled retirees of the Uniformed Services. Payments will be made to military retirees who (1) possess a minimum VA disability rating of at least 70%, (2) receive the minimum disability rating within four years of retirement, (3) retire with a non-disability retirement, and (4) have 20-plus years of service for the purposes of computing retired pay. The FY 2001 National Defense Authorization Act (H.R. 4205) extended this special compensation to military retirees who retired for disability with 20 years of service beginning in FY 2002. Section 636 of the FY 2003 National Defense Authorization Act (P.L. 107-314) reduced Special Compensation for the Severely Disabled program and increased Special Compensation for Combat-Related Disabled program. For FY 2003 thru FY 2009 Special Compensation for the Severely Disabled program is reduced \$11.0 million per year. Section 641 of the FY 2004 National Defense Authorization Act repealed, Special Compensation for Severely Disabled, section 1413 of title 10, United States Code and changes source of funds for the Combat-Related Special Compensation (CSRC) from the Military Personnel accounts to the Military Retirement Fund effective October 1, 2003.

**Part II - Justification of Funds Requested**

The FY 2005 estimates decreases because the provision was repealed.

OTHER MILITARY PERSONNEL COSTS  
SPECIAL COMPENSATION  
(AMOUNTS IN THOUSANDS OF DOLLARS)

ACTUAL FY 2003

ESTIMATE FY 2004

ESTIMATE FY 2005

SPECIAL COMPENSATION.....

\$ 32,572

\$ 9,200

\$ 0

(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE	FY 2005	\$ 2,500
ESTIMATE	FY 2004	\$ 2,500
ACTUAL	FY 2003	\$ 680

**Project: Partial DLA**

#### **Part I - Purpose and Scope**

Section 636 of the FY 2002 National Defense Authorization Act (P.L. 107-107) provided a new entitlement for members of the uniformed service who have been ordered to vacate family housing provided by the United States to permit the privatization or renovation of the housing to be paid a Partial Dislocation Allowance of \$500. Effective on the same date that the monthly rates of basic pay for all members are increased under section 1009 of the NDAA the Secretary of Defense shall adjust the rate of the Partial Dislocation Allowance authorized by the average percentage increase in the basic pay rates.

#### **Part II - Justification of Funds Requested**

Cost estimates are based on an estimated number of participants and rate data.

OTHER MILITARY PERSONNEL COSTS  
 PARTIAL DLA EXPENSES  
 (AMOUNTS IN THOUSANDS OF DOLLARS)

	NUMBER	ACTUAL FY 2003 RATE	AMOUNT	NUMBER	ESTIMATE FY 2004 RATE	AMOUNT	NUMBER	ESTIMATE FY 2005 RATE	AMOUNT
PARTIAL DLA EXPENSES.....	1,360	\$ 500	\$ 680	5,000	\$ 500	\$ 2,500	5,000	\$ 500	\$ 2,500

(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE	FY 2005	\$ 4,365
ESTIMATE	FY 2004	\$ 4,359
ACTUAL	FY 2003	\$ 1,064

**Project: Mass Transit Subsidy**

### **Part I - Purpose and Scope**

Executive Order 13150 entitled, "Federal Workforce Transportation", Section One, required Federal Agencies to establish a transportation benefit program for personnel using mass transportation or qualified vanpools.

### **Part II - Justification of Funds Requested**

Cost estimates are based on an estimated number of Military participants in the National Capital Region and qualified CONUS locations and rate data.

OTHER MILITARY PERSONNEL COSTS  
MASS TRANSIT EXPENSES  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	NUMBER	ACTUAL FY 2003 RATE	AMOUNT	NUMBER	ESTIMATE FY 2004 RATE	AMOUNT	NUMBER	ESTIMATE FY 2005 RATE	AMOUNT
MASS TRANSIT EXPENSES.....	872	\$ 1,220	\$ 1,064	3,573	\$ 1,220	\$ 4,359	3,578	\$ 1,220	\$ 4,365
TOTAL DIRECT OMPC OBLIGATION AMOUNTS.....			220,100			267,468			101,526



Section 5  
Military Personnel, Army  
Defense Working Capital Funds (DWCF) Reimbursements

**Introduction**

The Defense Management Resource Decision (DMRD) 971 established the Defense Working Capital Funds (DWCF) (formerly the Defense Business Operations Fund (DBOF)) in order to expand the use of business-like financial management practices. DWCF was initiated to improve the tools available to managers of the support establishment by collecting all costs related to goods and services, including military costs. Prior to DMRD 971 DWCF activities did not pay for the cost of military support. Reimbursements requested are for the cost of base pay and entitlements for military personnel assigned to DWCF activities.

**Justification of Funds Requested**

The estimated reimbursements are based on the Under Secretary of Defense (Comptroller) guidance. Estimated manpower reflects the number of workyears for each DWCF business area.

Detailed cost by DWCF activity is provided by the following table:

SECTION 5  
SCHEDULE OF MILITARY PERSONNEL ASSIGNED OUTSIDE DOD (END STRENGTH)

	ACTUAL FY 2003			ESTIMATE FY 2004			ESTIMATE FY 2005		
	OFFICER	ENLISTED	TOTAL	OFFICER	ENLISTED	TOTAL	OFFICER	ENLISTED	TOTAL
NONREIMBURSABLE									
CLASSIFIED ACTIVITIES.....	0	0	0	0	0	0	0	0	0
CONGRESSIONAL FELLOWS.....	12	0	12	12	0	12	12	0	12
DENTAL HYGIENE PROGRAM.....	0	11	11	0	11	11	0	11	11
DEPARTMENT OF ENERGY.....	8	0	8	8	0	8	8	0	8
DEPARTMENT OF JUSTICE.....	8	0	8	8	0	8	8	0	8
DEPARTMENT OF STATE.....	29	1	30	29	1	30	29	1	30
DRUG ENFORCEMENT AGENCY....	3	1	4	3	1	4	3	1	4
FBI.....	1	1	2	1	1	2	1	1	2
FEMA.....	1	1	2	1	1	2	1	1	2
LAW ENFORCEMENT									
SUPPORT OFFICE.....	3	2	5	3	2	5	3	2	5
MILITARY OBSERVERS.....	7	0	7	7	0	7	7	0	7
NSC.....	3	1	4	3	1	4	3	1	4
OFFICE OF NATIONAL DRUG									
CONTROL POLICY.....	10	0	10	10	0	10	10	0	10
PRESIDENTIAL CON PROGRAM....	1	9	10	1	9	10	1	9	10
SSC FELLOWSHIP.....	30	0	30	30	0	30	30	0	30
TRAINING WITH INDUSTRY.....	109	0	109	109	0	109	109	0	109
WHITE HOUSE									
COMMUNICATIONS AGENCY.....	31	401	432	31	401	432	31	401	432
WHITE HOUSE FELLOWS.....	2	0	2	2	0	2	2	0	2
WHITE HOUSE									
MILITARY OFFICE.....	18	6	24	18	6	24	18	6	24
WHITE HOUSE									
SERVICES AGENCY.....	13	0	13	13	0	13	13	0	13
WHITE HOUSE									
TRANSPORTATION AGENCY.....	0	67	67	0	67	67	0	67	67
OTHER AGENCIES.....	0	0	0	0	0	0	0	0	0
TOTAL NONREIMBURSABLE....	289	501	790	289	501	790	289	501	790

SECTION 5  
SCHEDULE OF MILITARY PERSONNEL ASSIGNED OUTSIDE DOD (END STRENGTH)

	ACTUAL FY 2003			ESTIMATE FY 2004			ESTIMATE FY 2005		
	OFFICER	ENLISTED	TOTAL	OFFICER	ENLISTED	TOTAL	OFFICER	ENLISTED	TOTAL
REIMBURSABLE									
AMERICAN BATTLE									
MONUMENTS COMM.....	0	0	0	0	0	0	0	0	0
CLASSIFIED ACTIVITIES.....	13	11	24	13	11	24	13	11	24
DEPARTMENT OF STATE.....	5	0	5	5	0	5	5	0	5
FBI.....	2	0	2	2	0	2	2	0	2
INS.....	0	0	0	0	0	0	0	0	0
LAW ENFORCEMENT									
SUPPORT OFFICE.....	2	0	2	2	0	2	2	0	2
NASA.....	6	0	6	6	0	6	6	0	6
SELECTIVE SERVICE SYSTEM...	7	0	7	7	0	7	7	0	7
US CUSTOMS.....	0	0	0	0	0	0	0	0	0
WHITE HOUSE									
COMMUNICATIONS AGENCY.....	0	35	35	0	35	35	0	35	35
PARTNERSHIP FOR									
FISCAL INTEGRITY (PFI).....	0	0	0	0	0	0	0	0	0
OTHER AGENCIES.....	1,193	5,484	6,677	1	0	1	1	0	1
TOTAL REIMBURSABLE.....	1,228	5,530	6,758	36	46	82	36	46	82
TOTAL OUTSIDE DOD.....	1,517	6,031	7,548	325	547	872	325	547	872

SECTION 5  
SCHEDULE OF MILITARY PERSONNEL ASSIGNED OUTSIDE DOD (END STRENGTH)

	ACTUAL FY 2003			ESTIMATE FY 2004			ESTIMATE FY 2005		
	E/S	E/S		E/S	E/S		E/S	E/S	
	OFFICER	ENLISTED	TOTAL	OFFICER	ENLISTED	TOTAL	OFFICER	ENLISTED	TOTAL
ASSIGN TO DOD IN SUPPORT NON-DOD FUNCTIONS									
FOREIGN MILITARY SALES.....	265	223	488	265	223	488	265	223	488
ASSIGN TO DOD IN SUPPORT OF DOD FUNCTIONS									
DEPOT MAINT.....	16	5	21	16	5	21	16	5	21
INFO SERVICES.....	6	0	6	0	0	0	0	0	0
ORDNANCE.....	12	6	18	12	6	18	12	6	18
SUPPLY MGMT.....	7	6	13	7	6	13	7	6	13
OTHER.....	0	0	0	0	0	0	0	0	0
SUBTOTAL AWCF.....	41	17	58	35	17	52	35	17	52
DECA.....	9	1	10	9	1	10	9	1	10
DFAS.....	53	396	449	53	396	449	53	396	449
DISA.....	4	12	16	4	12	16	4	12	16
DLA.....	124	62	186	124	62	186	124	62	186
TRANSCOM.....	108	134	242	107	134	241	107	134	241
OTHER.....	344	8,080	8,424	344	8,080	8,424	0	0	0
SUBTOTAL DWCF.....	642	8,685	9,327	641	8,685	9,326	297	605	902
DEFENSE HEALTH PROGRAM.....	837	1,133	1,970	977	1,079	2,056	1,037	910	1,947
OTHER NON-STRENGTH									
ENLISTED SUBSISTENCE.....	0	0	0	0	0	0	0	0	0
PCS.....	0	0	0	0	0	0	0	0	0
OTHER MILITARY PERSONNEL COMPENSATION (OMPC).....	0	0	0	0	0	0	0	0	0
MISCELLANEOUS.....	0	0	0	0	0	0	0	0	0
SUBTOTAL OTHER NON-STRENGTH.....	0	0	0	0	0	0	0	0	0
TOTAL ASSIGN TO DOD IN SUPPORT OF DOD FUNCTIONS.....	1,520	9,835	11,355	1,653	9,781	11,434	1,369	1,532	2,901
TOTAL REIMB.....	3,013	15,588	18,601	1,954	10,050	12,004	1,670	1,801	3,471
TOTAL NONREIMB.....	289	501	790	289	501	790	289	501	790
GRAND TOTAL.....	3,302	16,089	19,391	2,243	10,551	12,794	1,959	2,302	4,261

SECTION 5  
REIMBURSABLES FOR BUDGET REVIEWS  
(IN THOUSANDS OF DOLLARS)

	ACTUAL FY 2003			ESTIMATE FY 2004			ESTIMATE FY 2005		
	OFFICER	ENLISTED	TOTAL	OFFICER	ENLISTED	TOTAL	OFFICER	ENLISTED	TOTAL
OUTSIDE DOD REIMBURSABLE									
AMERICAN BATTLE									
MONUMENTS COMM.....	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
CLASSIFIED ACTIVITIES.....	0	0	0	1,290	536	1,826	1,360	563	1,923
DEPARTMENT OF STATE.....	0	0	0	496	0	496	523	0	523
FBI.....	0	0	0	198	0	198	209	0	209
INS.....	0	0	0	0	0	0	0	0	0
LAW ENFORCEMENT									
SUPPORT OFFICE.....	0	0	0	198	0	198	209	0	209
NASA.....	0	0	0	595	0	595	627	0	627
SELECTIVE SERVICE SYSTEM...	0	0	0	695	0	695	732	0	732
US CUSTOMS.....	0	0	0	0	0	0	0	0	0
WHITE HOUSE									
COMMUNICATIONS AGENCY.....	0	0	0	0	1,709	1,709	0	1,791	1,791
PARTNERSHIP FOR									
FISCAL INTEGRITY (PFI).....	0	0	0	0	0	0	0	0	0
OTHER AGENCIES.....	58	729	787	99	0	99	105	0	105
TOTAL OUTSIDE									
DOD REIMBURSABLE.....	\$ 58	\$ 729	\$ 787	\$ 3,571	\$ 2,245	\$ 5,816	\$ 3,765	\$ 2,354	\$ 6,119

SECTION 5  
REIMBURSABLES FOR BUDGET REVIEWS  
(IN THOUSANDS OF DOLLARS)

	ACTUAL FY 2003			ESTIMATE FY 2004			ESTIMATE FY 2005		
	OFFICER	ENLISTED	TOTAL	OFFICER	ENLISTED	TOTAL	OFFICER	ENLISTED	TOTAL
ASSIGN TO DOD IN SUPPORT OF NON-DOD FUNCTIONS									
FOREIGN MILITARY SALES.....	\$ 44,870	\$ 23,702	\$ 68,572	\$ 39,122	\$ 16,554	\$ 55,676	\$ 36,449	\$ 19,775	\$ 56,224
ASSIGN TO DOD IN SUPPORT OF DOD FUNCTIONS									
DEPOT MAINT.....	\$ 1,502	\$ 690	\$ 2,192	\$ 1,539	\$ 710	\$ 2,249	\$ 1,582	\$ 733	\$ 2,315
INFO SERVICES.....	606	0	606	0	0	0	0	0	0
ORDNANCE.....	1,365	258	1,623	1,152	259	1,411	1,184	265	1,449
SUPPLY MGMT.....	793	268	1,061	813	280	1,093	833	292	1,125
OTHER.....	0	0	0	0	0	0	0	0	0
SUBTOTAL AWCF.....	4,266	1,216	5,482	3,504	1,249	4,753	3,599	1,290	4,889
DECA.....	\$ 619	\$ 28	\$ 647	\$ 641	\$ 29	\$ 670	\$ 665	\$ 30	\$ 695
DFAS.....	3,401	10,199	13,600	4,026	12,074	16,100	3,655	10,963	14,618
DISA.....	500	401	901	666	534	1,200	537	431	968
DLA.....	11,690	2,385	14,075	12,094	2,466	14,560	12,565	2,563	15,128
TRANSCOM.....	11,088	5,512	16,600	8,884	4,416	13,300	11,918	5,924	17,842
OTHER.....	20,576	267,183	287,759	0	0	0	0	0	0
SUBTOTAL DWCF.....	47,874	285,708	333,582	26,311	19,519	45,830	29,340	19,911	49,251
DEFENSE HEALTH PROGRAM.....	\$ 75,091	\$ 58,535	\$ 133,626	\$ 91,472	\$ 47,467	\$ 138,939	\$ 102,313	\$ 41,961	\$ 144,274
OTHER NON-STRENGTH									
ENLISTED SUBSISTENCE.....	\$ 0	\$ 0	\$ 0	\$ 0	\$ 31,925	\$ 31,925	\$ 0	\$ 33,170	\$ 33,170
PCS.....	0	0	0	0	0	0	0	0	0
OTHER MILITARY PERSONNEL									
COMPENSATION (OMPC).....	0	0	0	0	2,215	2,215	0	2,262	2,262
MISCELLANEOUS.....	0	0	0	0	0	0	0	0	0
SUBTOTAL									
OTHER NON-STRENGTH.....	0	0	0	0	34,140	34,140	0	35,432	35,432
TOTAL ASSIGN TO DOD IN SUPPORT OF DOD FUNCTIONS.....	127,231	345,459	472,690	121,287	102,375	223,662	135,252	98,594	233,846
GRAND TOTAL.....	\$ 172,159	\$ 369,890	\$ 542,049	\$ 163,980	\$ 121,174	\$ 285,154	\$ 175,466	\$ 120,723	\$ 296,189